APPENDICES


DEPARTMENT OF COMMERCE
UNITED STATES OF AMERICA

PERFORMANCE AND RESOURCE TABLES

To make the report more useful, this FY 2009 Performance and Accountability Report (PAR) reports on targets and measures from the FY 2010 Annual Performance Plan (APP), that more accurately reflects updated targets of each performance measure. Individual bureau-specific APPs can be found on the Department Web site at *http://www.osec.doc.gov/bmi/budget/budgetsub_perf_strategicplans.htm*. The resource tables with the performance tables are also combined to make the information easier to follow.

The following tables provide an array of information that previously was shown in separate tables. The information should help the reader clearly understand the resources expended for each Strategic Goal, Objective, and Performance Outcome/Objective.

The system of reporting does not currently allow the Department to report on resources at the performance measure level, but it is the Department's hope to develop this capability in the future. Unless otherwise noted, funding includes reimbursable amounts. For a given year, it is important to note that if a performance measure has been exceeded (more than 125 percent of target), the status box for that year will be shaded blue. If a performance measure has been met (100 to 125 percent of target), the box is shaded green. The status box for a measure that was slightly below target (95 to 99 percent of the target) is shaded yellow, while the box for a measure that was definitely not met is shaded red. In addition, for FY 2009 OMB introduced a new category, "improved but not met." In those cases, the box is shaded orange. No targets that were in the form of text (e.g., a series of milestones met) would ever be considered exceeded since they cannot be quantified.

The information in the tables will follow the following format:

- Strategic Goal and Resources
- Objective and Resources
- Performance Outcome/Objective and Resources
- Performance Measure

Note: Unless otherwise indicated, measures that do not have FY 2009 targets are not included in any count in this document. FY 2009 resources for each performance outcome/objective may be estimates and may be updated in the budget for FY 2011. FY 2008 resources may have been updated since the FY 2008 PAR.

Target and performance data are tracked back to FY 2002 where available. If a measure was developed after FY 2002, actual performance data is shown back to the year that the measure first appeared.

FTE = Full-time equivalent employment. All dollar amounts shown are in millions, unless otherwise indicated.

STRATEGIC GOAL 1

Maximize U.S. competitiveness and enable economic growth for American industries, workers, and consumers

STRATEGIC GOAL 1 TOTAL RESOURCES[1] (Dollars in Millions)								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$1,582.7	$1,617.0	$1,609.9	$1,770.6	$1,827.6	$1,950.7	$2,389.5	$4,555.2
FTE	11,916	11,265	11,475	11,953	12,223	11,635	12,111	29,266

[1] Prior year amounts differ from previous PARs because in FY 2008, the Department and NIST shifted the performance outcome, "Raise the productivity and competitiveness of small manufacturers (NIST)" from Strategic Goal 2 to Strategic Goal 1, becoming Strategic Objective 1.4.

STRATEGIC OBJECTIVE 1.1

Foster domestic economic development as well as export opportunities

OBJECTIVE 1.1 RESOURCES (Dollars in Millions)								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$677.5	$645.0	$633.2	$625.6	$613.8	$646.6	$643.1	$646.4
FTE	1,990	2,013	1,869	1,908	1,849	1,704	1,618	1,515

PERFORMANCE OUTCOME: Promote private investment and job creation in economically distressed communities (EDA)

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding[1]	$296.6	$258.3	$254.8	$212.5	$208.3	$223.9	$229.7	$203.9
FTE	155	149	137	139	128	132	129	129

[1] Actuals reflect direct obligations for economic development assistance programs (EDAP) and salaries and expenses (S&E); totals do not include one-time, disaster investments, or reimbursable funding.

EDA PERFORMANCE MEASURE			
MEASURE: Private investment leveraged – 9 year totals (in millions)[1]			
Year	Status	Actual	Target
FY 2009	Met	$2,210	$2,040
FY 2008	Exceeded	$4,173	$2,080
FY 2007	Exceeded	$1,937	$1,350
FY 2006	Exceeded	$2,331	$1,162

[1] EDA tracks the results of its investments and jobs created/retained at 3, 6, and 9 year periods. The FY 2009 actual is a result of investments made in FY 2000. Since EDA did not begin tracking results until FY 1997 in this format, 9 year results are not available for the years prior to FY 2006.

EDA PERFORMANCE MEASURE			
MEASURE: Private investment leveraged – 6 year totals (in millions)[1]			
Year	Status	Actual	Target
FY 2009	Met	$855	$810
FY 2008	Exceeded	$1,393	$970
FY 2007	Exceeded	$2,118	$1,200
FY 2006	Met	$1,059	$1,020
FY 2005	Exceeded	$1,781	$1,040
FY 2004	Exceeded	$1,740	$650
FY 2003	Exceeded	$2,475	$581

[1] This is the 6 year result measure. FY 2009 actuals are the result of investments made in FY 2003.

EDA PERFORMANCE MEASURE			
MEASURE: Private investment leveraged – 3 year totals (in millions)[1]			
Year	Status	Actual	Target
FY 2009	Exceeded	$484	$265
FY 2008	Exceeded	$1,013	$270
FY 2007	Exceeded	$810	$330
FY 2006	Exceeded	$1,669	$320
FY 2005	Exceeded	$1,791	$390
FY 2004	Exceeded	$947	$480
FY 2003	Exceeded	$1,251	$400
FY 2002	Exceeded	$640	$420

[1] This is the 3 year result measure. FY 2009 actuals are the result of investments made in FY 2006.

EDA PERFORMANCE MEASURE			
MEASURE: Jobs created/retained – 9 year totals[1]			
Year	Status	Actual	Target
FY 2009	Not Met	45,866	56,500
FY 2008	Met	57,701	56,900
FY 2007	Exceeded	73,559	54,000
FY 2006	Met	50,546	50,400

[1] EDA tracks the results of its investments and jobs created/retained at 3, 6, and 9 year periods. The FY 2009 actual is a result of investments made in FY 2000. Since EDA did not begin tracking results until FY 1997 in this format, 9 year results are not available for the years prior to FY 2006.

EDA PERFORMANCE MEASURE			
MEASURE: Jobs created/retained – 6 year totals[1]			
Year	Status	Actual	Target
FY 2009	Met	24,533	22,900
FY 2008	Met	30,719	28,900
FY 2007	Exceeded	49,806	36,000
FY 2006	Exceeded	42,958	28,200
FY 2005	Exceeded	47,374	28,400
FY 2004	Exceeded	68,109	27,000
FY 2003	Exceeded	47,607	25,200

[1] This is the 6 year result measure. FY 2009 actuals are the result of investments made in FY 2003.

EDA PERFORMANCE MEASURE			
MEASURE: Jobs created/retained – 3 year totals[1]			
Year	Status	Actual	Target
FY 2009	Exceeded	9,137	7,019
FY 2008	Exceeded	14,819	7,227
FY 2007	Exceeded	16,274	8,999
FY 2006	Exceeded	11,833	9,170
FY 2005	Exceeded	19,672	11,500
FY 2004	Exceeded	21,901	14,400
FY 2003	Exceeded	39,841	11,300
FY 2002	Exceeded	29,912	11,300

[1] This is the 3 year result measure. FY 2009 actuals are the result of investments made in FY 2006.

PERFORMANCE OUTCOME: Improve community capacity to achieve and sustain economic growth (EDA)

PERFORMANCE OUTCOME RESOURCES *(Dollars in Millions)*								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding[1]	$68.8	$67.3	$67.3	$68.0	$72.1	$83.5	$82.5	$75.0
FTE	84	80	80	74	32	33	32	32

[1] Actuals reflect direct obligations for EDAP and S&E; totals do not include one-time, disaster investments, or reimbursable funding.

EDA PERFORMANCE MEASURE			
MEASURE: Percentage of economic development districts (EDD) and Indian tribes implementing economic development projects from the comprehensive economic development strategy (CEDS) that lead to private investment and jobs			
Year	Status	Actual	Target
FY 2009	Slightly Below	93%	95%
FY 2008	Slightly Below	92%	95%
FY 2007	Met	95%	95%
FY 2006	Met	96%	95%
FY 2005	Met	97%	95%
FY 2004	Met	95%	95%
FY 2003	Met	99%	95%

EDA PERFORMANCE MEASURE			
MEASURE: Percentage of sub-state jurisdiction members actively participating in the economic development district (EDD) program			
Year	Status	Actual	Target
FY 2009	Met	92%	89-93%
FY 2008	Met	90%	89-93%
FY 2007	Met	92%	89-93%
FY 2006	Met	90%	89-93%
FY 2005	Met	91%	89-93%
FY 2004	Met	90%	89-93%
FY 2003	Met	97%	89-93%
FY 2002	Met	95%	93%

EDA PERFORMANCE MEASURE			
MEASURE: Percentage of University Center clients taking action as a result of the assistance facilitated by the University Center			
Year	Status	Actual	Target
FY 2009	Not Met	70%	75%
FY 2008	Met	80%	75%
FY 2007	Met	84%	75%
FY 2006	Met	76%	75%
FY 2005	Met	79%	75%
FY 2004	Met	78%	75%
FY 2003	Met	78%	75%

EDA PERFORMANCE MEASURE			
MEASURE: Percentage of those actions taken by University Center clients that achieved the expected results			
Year	Status	Actual	Target
FY 2009	Met	92%	80%
FY 2008	Met	84%	80%
FY 2007	Met	89%	80%
FY 2006	Met	82%	80%
FY 2005	Met	87%	80%
FY 2004	Met	88%	80%
FY 2003	Met	86%	80%

EDA PERFORMANCE MEASURE			
MEASURE: Percentage of Trade Adjustment Assistance Center (TAAC) clients taking action as a result of the assistance facilitated by the TAACs			
Year	Status	Actual	Target
FY 2009	Slightly Below	88%	90%
FY 2008	Met	92%	90%
FY 2007	Met	99%	90%
FY 2006	Met	90%	90%
FY 2005	Met	99%	90%
FY 2004	Met	90%	90%
FY 2003	Met	92%	90%

EDA PERFORMANCE MEASURE			
MEASURE: Percentage of those actions taken by Trade Adjustment Assistance Center clients that achieved the expected results			
Year	Status	Actual	Target
FY 2009	Slightly Below	93%	95%
FY 2008	Met	95%	95%
FY 2007	Met	95%	95%
FY 2006	Met	96%	95%
FY 2005	Met	97%	95%
FY 2004	Met	98%	95%
FY 2003	Met	98%	95%

PERFORMANCE OUTCOME: Strengthen U.S. competitiveness in domestic and international markets (ITA)

PERFORMANCE OUTCOME RESOURCES *(Dollars in Millions)*								
	FY 2002 Actual[1]	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$208.5	$72.7	$56.0	$62.6	$52.1	$59.0	$44.8	$51.7
FTE	1,236	402	287	264	257	243	228	232

[1] In FY 2005, ITA reorganized its performance structure, reducing the number of outcomes from four to two outcomes for this strategic objective. FY 2002 actuals shown here reflect the level for the "Strengthen U.S. industries" outcome and the two discontinued outcomes.

ITA PERFORMANCE MEASURE			
MEASURE: Annual cost savings resulting from the adoption of Manufacturing and Services (MAS) recommendations contained in MAS studies and analysis			
Year	Status	Actual	Target
FY 2009	Exceeded	$552M	$350M
FY 2008	Exceeded	$455M	$350M
FY 2007	Exceeded	$413M	$168M
FY 2006	Not Met	$287M	$350M

ITA PERFORMANCE MEASURE			
MEASURE: Percent of industry-specific trade barriers addressed that were removed or prevented			
Year	Status	Actual	Target
FY 2009	Exceeded	30%	20%
FY 2008	Exceeded	29%	15%

ITA PERFORMANCE MEASURE			
MEASURE: Percent of industry-specific trade barrier milestones completed			
Year	Status	Actual	Target
FY 2009	Exceeded	72%	55%
FY 2008	Exceeded	73%	55%
FY 2007	Not Met	54%	85%
FY 2006	Slightly Below	81%	85%

ITA PERFORMANCE MEASURE			
MEASURE: Percent of agreement milestones completed			
Year	Status	Actual	Target
FY 2009	Not Met	23%	100%
FY 2008	Not Met	70%	100%
FY 2007	Exceeded	100%	70%
FY 2006	Exceeded	100%	70%

PERFORMANCE OUTCOME: Broaden and deepen U.S. exporter base (ITA)

PERFORMANCE OUTCOME RESOURCES *(Dollars in Millions)*								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008[1] Actual	FY 2009 Actual
Total Funding	$75.3	$217.7	$226.4	$252.7	$251.8	$250.6	$257.9	$286.0
FTE	423	1,290	1,273	1,335	1,338	1,202	1,151	1,036

[1] For FY 2008, funding includes $23.0M previously for the discontinued outcome, "Increase exports to commercially significant markets including FTA countries, China, and India."

ITA PERFORMANCE MEASURE			
MEASURE: Export success firms/active client firms (annual)			
Year	Status	Actual	Target
FY 2009	Exceeded	23.3%	10.50%

ITA PERFORMANCE MEASURE			
MEASURE: US&FCS small and medium-sized enterprises (SME) new-to-export (NTE)/total change in SME exporters (annual)			
Year	Status	Actual	Target
FY 2009	Exceeded	15.22%	12.37%

ITA PERFORMANCE MEASURE			
MEASURE: Number of SME new-to-market (NTM) firms/number of SME firms exporting to two to nine foreign markets (annual)			
Year	Status	Actual	Target
FY 2009	Not Met	3.49%	3.81%

ITA PERFORMANCE MEASURE			
MEASURE: Commercial diplomacy success (cases) (annual)			
Year	Status	Actual	Target
FY 2009	Met	196	162
FY 2008	Met	181	160

ITA PERFORMANCE MEASURE			
MEASURE: Increase in the percent of small and medium-sized firms that export			
Year	Status	Actual	Target
FY 2009	Exceeded	4.69%	2.75%

PERFORMANCE OUTCOME: Increase access to the marketplace and financing for minority-owned businesses (MBDA)

PERFORMANCE OUTCOME RESOURCES *(Dollars in Millions)*								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$28.3	$29.0	$28.7	$29.8	$29.5	$29.6	$28.2	$29.8
FTE	92	92	92	96	94	94	75	86

MBDA PERFORMANCE MEASURE			
MEASURE: Dollar value of contract awards obtained (billions)			
Year	Status	Actual	Target
FY 2009	Exceeded	$2.11	$0.90
FY 2008	Met	$1.03	$0.90
FY 2007	Exceeded	$1.20	$0.85
FY 2006	Exceeded	$1.17	$0.85
FY 2005	Exceeded	$1.10	$0.80
FY 2004	Met	$0.95	$0.80
FY 2003	Not Met	$0.70	$1.00
FY 2002	Exceeded	$1.30	$1.00

MBDA PERFORMANCE MEASURE			
MEASURE: Dollar value of financial awards obtained (billions)			
Year	Status	Actual	Target
FY 2009	Exceeded	$0.81	$0.50
FY 2008	Exceeded	$1.09	$0.50
FY 2007	Met	$0.55	$0.45
FY 2006	Not Met	$0.41	$0.45
FY 2005	Met	$0.50	$0.45
FY 2004	Exceeded	$0.60	$0.40
FY 2003	Met	$0.40	$0.40
FY 2002	Met	$0.40	$0.40

MBDA PERFORMANCE MEASURE			
MEASURE: Number of new job opportunities created			
Year	Status	Actual	Target
FY 2009	Met	3,024	3,000
FY 2008	Exceeded	5,316	3,000
FY 2007	Exceeded	3,506	2,050
FY 2006	Exceeded	4,254	1,800
FY 2005	Exceeded	2,270	1,800

MBDA PERFORMANCE MEASURE			
MEASURE: Percent increase in client gross receipts			
Year	Status	Actual	Target
FY 2009	Met	6.0%	6.0%
FY 2008	Met	6.0%	6.0%
FY 2007	Met	5.0%	5.0%
FY 2006	Met	6.0%	5.0%
FY 2005	Exceeded	15.0%	5.0%

MBDA PERFORMANCE MEASURE			
MEASURE: Satisfaction rating for the American Customer Satisfaction Index (ACSI)[1,2]			
Year	Status	Actual	Target
FY 2009	Not Met	67%	75%
FY 2008	N/A	N/A	N/A
FY 2007	Exceeded	4.0%	3.0%
FY 2006	N/A	N/A	N/A
FY 2005	Exceeded	13.0%	5.0%

[1] The ACSI survey occurs only in odd years, so data does not appear in FY 2008 and FY 2006.
[2] Prior to FY 2009, this measure was known as "Percent increase in the American Customer Satisfaction Index (ASCI)."

STRATEGIC OBJECTIVE 1.2

Advance responsible economic growth and trade while protecting American security

OBJECTIVE 1.2 RESOURCES (Dollars in Millions)								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$157.4	$164.9	$168.5	$192.6	$204.1	$197.8	$198.7	$208.2
FTE	929	940	975	998	986	910	841	914

PERFORMANCE OUTCOME: Identify and resolve unfair trade practices (ITA)

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$92.8	$88.1	$94.6	$115.8	$122.0	$116.9	$122.4	$123.6
FTE	571	574	610	638	633	544	496	588

ITA PERFORMANCE MEASURE			
MEASURE: Percent reduction in trade distorting foreign subsidy programs			
Year	Status	Actual	Target
FY 2009	Exceeded	1.8%	> 1%
FY 2008	Exceeded	1.6%	>0.5%

ITA PERFORMANCE MEASURE			
MEASURE: Percent of AD/CVD determinations issued within statutory and/or regulatory deadlines			
Year	Status	Actual	Target
FY 2009	Slightly Below	86%	90%
FY 2008	Met	90%	90%

ITA PERFORMANCE MEASURE			
MEASURE: Percent of ministerial errors in IA's dumping and subsidy calculations			
Year	Status	Actual	Target
FY 2009	Exceeded	8%	< 11%
FY 2008	Met	10%	< 12%

ITA PERFORMANCE MEASURE			
MEASURE: Percentage of market access and compliance cases resolved successfully			
Year	Status	Actual	Target
FY 2009	Exceeded	56%	35%
FY 2008	Met	39%	35%
FY 2007	Exceeded	54%	25%
FY 2006	Exceeded	46%	25%

ITA PERFORMANCE MEASURE			
MEASURE: Value of market access and compliance cases resolved successfully			
Year	Status	Actual	Target
FY 2009	Exceeded	$25.4B	$2.0B
FY 2008	Exceeded	$12.3B	$1.5B

PERFORMANCE OUTCOME: Maintain and strengthen an adaptable and effective U.S. export control and treaty compliance system (BIS)

PERFORMANCE OUTCOME RESOURCES *(Dollars in Millions)*								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$58.7	$68.4	$67.7	$71.3	$73.0	$70.4	$66.1	$73.9
FTE	328	336	335	330	309	324	308	290

BIS PERFORMANCE MEASURE			
MEASURE: Percent of licenses requiring interagency referral referred within 9 days			
Year	Status	Actual	Target
FY 2009	Met	98%	95%
FY 2008	Met	98%	95%
FY 2007	Met	98%	95%
FY 2006	Met	98%	95%

BIS PERFORMANCE MEASURE			
MEASURE: Median processing time for new regime regulations (months)			
Year	Status	Actual	Target
FY 2009	Exceeded	2.0	3.0
FY 2008	Exceeded	2.0	3.0
FY 2007	Exceeded	2.0	3.0
FY 2006	Met	2.5	3.0
FY 2005	Exceeded	1.0	3.0
FY 2004	Exceeded	2.0	3.0
FY 2003	Not Met	7.0	3.0

BIS PERFORMANCE MEASURE			
MEASURE: Percent of attendees rating seminars highly			
Year	Status	Actual	Target
FY 2009	Met	93%	85%
FY 2008	Met	93%	85%
FY 2007	Met	90%	85%
FY 2006	Met	90%	85%

BIS PERFORMANCE MEASURE			
MEASURE: Percent of declarations received from U.S. industry in accordance with CWC regulations (time lines) that are processed, certified, and submitted to the State Department in time so the United States can meet its treaty obligations			
Year	Status	Actual	Target
FY 2009	Met	100%	100%
FY 2008	Met	100%	100%
FY 2007	Met	100%	100%
FY 2006	Met	100%	100%

BIS PERFORMANCE MEASURE			
MEASURE: Number of actions that result in a deterrence or prevention of a violation and cases which result in a criminal and/or administrative charge			
Year	Status	Actual	Target
FY 2009	Met	876	850
FY 2008	Exceeded	881	675
FY 2007	Exceeded	930	450
FY 2006	Exceeded	872	350
FY 2005	Exceeded	583	275
FY 2004	Met	310	250
FY 2003	Exceeded	250	85
FY 2002	Met	82	75

BIS PERFORMANCE MEASURE			
MEASURE: Percent of shipped transactions in compliance with the licensing requirements of the Export Administration Regulations (EAR)			
Year	Status	Actual	Target
FY 2009	Met	96%	95%
FY 2008	Met	87%	87%

BIS PERFORMANCE MEASURE			
MEASURE: Percentage of post-shipment verifications completed and categorized above the "unfavorable" classification			
Year	Status	Actual	Target
FY 2009	Met	314PSVs/88%	260 PSVs/85%
FY 2008	Met	136 PSVs/93%	215 PSVs/80%

PERFORMANCE OUTCOME: Integrate non-U.S. actors to create a more effective global export control and treaty compliance system (BIS)

PERFORMANCE OUTCOME RESOURCES *(Dollars in Millions)*								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$1.8	$4.4	$2.7	$1.8	$2.8	$4.6	$5.1	$5.1
FTE	13	13	13	13	13	12	11	10

BIS PERFORMANCE MEASURE			
MEASURE: Number of end-use checks completed[1]			
Year	Status	Actual	Target
FY 2009	Not Met	737	850
FY 2008	Not Met	490	850
FY 2007	Met	854	850
FY 2006	Exceeded	942	700

[1] Prior to FY 2007, this measure was under the outcome "Eliminate illicit export activity outside the global export control and treaty compliance," which was discontinued in FY 2007.

PERFORMANCE OUTCOME: Ensure continued U.S. technology leadership in industries that are essential to national security (BIS)

PERFORMANCE OUTCOME RESOURCES *(Dollars in Millions)*								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$4.1	$4.0	$3.5	$3.7	$6.3	$5.9	$5.1	$5.6
FTE	17	17	17	17	31	30	26	26

BIS PERFORMANCE MEASURE			
MEASURE: Percent of industry assessments resulting in BIS determination, within three months of completion, on whether to revise export controls			
Year	Status	Actual	Target
FY 2009	Met	100%	100%
FY 2008	Met	100%	100%
FY 2007	Met	100%	100%
FY 2006	N/A	N/A[1]	100%

[1] No assessments fell within the metric timeframe in FY 2006. BIS completed two industry assessments late in the fourth quarter of FY 2006, thus not meeting the three month window (before the end of the fiscal year) to make a final determination on revising export controls. This was the first year this measure was in place. Industry assessment data will be available in subsequent fiscal years.

STRATEGIC OBJECTIVE 1.3

Advance key economic and demographic data that support effective decision-making of policymakers, businesses, and the American public

OBJECTIVE 1.3 RESOURCES (Dollars in Millions)								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$866.2	$920.9	$1,008.7	$1,097.9	$1,164.5	$1,261.5	$1,709.4	$3,588.0
FTE	8,908	8,223	8,563	8,976	9,321	8,954	9,576	26,767

PERFORMANCE OUTCOME: Provide benchmark measures of the U.S. population, economy, and governments (ESA/CENSUS)

PERFORMANCE OUTCOME RESOURCES[1] (Dollars in Millions)								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding[2]	$799.5	$846.9	$314.5	$340.5	$373.5	$468.7	$917.9	$2,773.4
FTE	8,420	7,729	8,038	8,433	8,778	8,418	3,072	20,007

[1] In FY 2008, Census split the outcome, "Meet the needs of policymakers, businesses, non-profit organizations, and the public for current and benchmark measures of the U.S. population, economy and governments," into this outcome and performance outcome, "Provide current measures of the U.S. population, economy, and governments." Funds for the years prior to FY 2004 are shown in this outcome and reflect both outcomes. FTE for years prior to FY 2008 are shown in this outcome and reflect both outcomes.

[2] Total obligations for performance outcome excludes the Working Capital Fund obligations financed by other Census Bureau funds and are already reflected in the results for the other funds and reimbursable obligations.

ESA/CENSUS PERFORMANCE MEASURE			
MEASURE: Correct street features in TIGER (geographic) database (number of counties completed) to more effectively support: Census Bureau censuses and surveys, facilitate the geographic partnerships between federal, state, local and tribal governments, and support the E-Government initiative in the President's Management Agenda			
Year	Status	Actual	Target
FY 2009	Met	Completed	Complete updates to eligible counties in the United States, Puerto Rico, and Island Areas
FY 2008	Met	320	320
FY 2007	Met	737	690
FY 2006	Met	700	700
FY 2005	Met	623	610
FY 2004	Met	602	600
FY 2003	Met	250	250
FY 2002	Met	Prepared plan and systems to measure housing unit coverage	Prepare plan and systems to measure housing unit coverage

ESA/CENSUS PERFORMANCE MEASURE			
MEASURE: Complete key activities for cyclical census programs on time to support effective decision-making by policymakers, businesses, and the public and meet constitutional and legislative mandates			
Year	**Status**	**Actual**	**Target**
FY 2009	Met	At least 90% of key prep activities completed on time	At least 90% of key prep activities completed on time
FY 2008	Not Met	Some of the planned dress rehearsal activities were cancelled	At least 90% of key prep activities completed on time
FY 2007	Met	>90% of key prep activities completed on time	At least 90% of key prep activities completed on time
FY 2006	Met	100% of activities completed on time	At least 90% of key prep activities completed on time
FY 2005	Met	Activities completed on time	Various activities with different dates

ESA/CENSUS PERFORMANCE MEASURE			
MEASURE: Meet or exceed the overall federal score of customer satisfaction on the E-Government American Customer Satisfaction Index (ACSI)[1]			
Year	**Status**	**Actual**	**Target**
FY 2009	Not Met	68.0	75.2
FY 2008	Not Met	66.0	73.9
FY 2007	Met	74.0	71.0
FY 2006	Met	72.0	71.3
FY 2005	Met	73.0	73.0
FY 2004	Slightly Below	71.0	72.0

[1] This measure applies to the second outcome as well, "Provide current measures of the U.S. population, economy, and governments."

PERFORMANCE OUTCOME: Provide current measures of the U.S. population, economy, and governments (ESA/CENSUS)*

PERFORMANCE OUTCOME RESOURCES[1] *(Dollars in Millions)*								
	FY 2002 Actual	**FY 2003 Actual**	**FY 2004 Actual**	**FY 2005 Actual**	**FY 2006 Actual**	**FY 2007 Actual**	**FY 2008 Actual**	**FY 2009 Actual**
Total Funding	N/A	N/A	$615.6	$673.1	$705.4	$705.8	$703.1	$715.9
FTE	N/A	N/A	N/A	N/A	N/A	N/A	5,979	6,231

[1] In FY 2008, Census split the outcome, "Meet the needs of policymakers, businesses, non-profit organizations, and the public for current and benchmark measures of the U.S. population, economy, and governments," into this outcome and performance outcome, "Provide benchmark measures of the U.S. population, economy, and governments." Funds for the years prior to FY 2008 are shown in the previous outcome and reflect both outcomes.

* In FY 2008, Census split the outcome, "Meet the needs of policymakers, businesses, non-profit organizations, and the public for current and benchmark measures of the U.S. population, economy, and governments," into this outcome and performance outcome"Provide benchmark measures of the U.S. population, economy, and governments."

ESA/CENSUS PERFORMANCE MEASURE			
MEASURE: Achieve pre-determined collection rates for Census Bureau censuses and surveys in order to provide statistically reliable data to support effective decision-making of policymakers, businesses, and the public			
Year	**Status**	**Actual**	**Target**
FY 2009	Met	Met percentages	At least 90% of key censuses and surveys meet/exceed collection rates/levels of reliability
FY 2008	Met	Met percentages	At least 90% of key censuses and surveys meet/exceed collection rates/levels of reliability
FY 2007	Met	Met percentages	At least 90% of key censuses and surveys meet/exceed collection rates/levels of reliability
FY 2006	Met	Met percentages	At least 90% of key censuses and surveys meet/exceed collection rates/levels of reliability
FY 2005	Met	Met percentages	Various %s – see FY 2006 APP
FY 2004	Met	Met percentages	Various %s – see FY 2005 APP
FY 2003	Met	Met percentages	Various %s – see FY 2004 APP

ESA/CENSUS PERFORMANCE MEASURE			
MEASURE: Release data products for key Census Bureau programs on time to support effective decision-making of policymakers, businesses, and the public			
Year	**Status**	**Actual**	**Target**
FY 2009	Met	1) 100% of Economic Indicators released on time 2) At least 90% of other key censuses and surveys data released on time	3) 100% of Economic Indicators released on time 4) At least 90% of other key censuses and surveys data released on time
FY 2008	Met	1) 100% of Economic Indicators released on time 2) At least 90% of other key censuses and surveys data released on time	1) 100% of Economic Indicators released on time 2) At least 90% of other key censuses and surveys data released on time
FY 2007	Met	1) 100% of Economic Indicators released on time 2) At least 90% of other key censuses and surveys data released on time	1) 100% of Economic Indicators released on time 2) At least 90% of other key censuses and surveys data released on time
FY 2006	Met	1) 100% of Economic Indicators 2) 100% of other products	1) 100% of Economic Indicators released on time 2) At least 90% of other key censuses and surveys data released on time
FY 2005	Met	22 products	22 products
FY 2004	Exceeded	10 products	7 products
FY 2003	Not Met	2 products	3 products

PERFORMANCE OUTCOME: Provide timely, relevant, and accurate economic statistics (ESA/BEA)

PERFORMANCE OUTCOME RESOURCES *(Dollars in Millions)*								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$66.7	$74.0	$78.6	$84.1	$85.6	$87.0	$88.4	$98.7
FTE	488	494	525	543	543	536	525	529

ESA/BEA PERFORMANCE MEASURE			
MEASURE: Timeliness: Reliability of delivery of economic data (number of scheduled releases issued on time)			
Year	Status	Actual	Target
FY 2009	Slightly Below	56 of 57	57 of 57
FY 2008	Met	57 of 58[1]	58 of 58
FY 2007	Met	54 of 54	54 of 54
FY 2006	Met	54 of 54	54 of 54
FY 2005	Met	54 of 54	54 of 54
FY 2004	Met	54 of 54	54 of 54
FY 2003	Met	48 of 48	48 of 48
FY 2002	Met	50 of 50	50 of 50

[1] In FY 2008, the Annual Industry Accounts statistical release was rescheduled from December 13, 2007 to January 29, 2008, in order to include important information from the Census 2006 Annual Survey of Manufactures (ASM). By delaying this release, BEA was able to provide a better product for BEA's data users, so this measure is considered "Met."

ESA/BEA PERFORMANCE MEASURE			
MEASURE: Relevance: Customer satisfaction with quality of products and services (mean rating on a 5-point scale)			
Year	Status	Actual	Target
FY 2009	Met	4.2	> 4.0
FY 2008	Met	4.2	> 4.0
FY 2007	Met	4.3	> 4.0
FY 2006	Met	4.2	> 4.0
FY 2005	Met	4.4	> 4.0
FY 2004	Met	4.3	> 4.0
FY 2003	Met	4.4	> 4.0
FY 2002	Met	4.3	> 4.0

ESA/BEA PERFORMANCE MEASURE			
MEASURE: Accuracy: Percent of GDP estimates correct			
Year	Status	Actual	Target
FY 2009	Met	88%	> 85%
FY 2008	Met	94%	> 85%
FY 2007	Met	93%	> 85%
FY 2006	Met	96%	> 85%
FY 2005	Met	96%	> 85%
FY 2004	Met	88%	> 84%
FY 2003	Met	88%	> 84%

ESA/BEA PERFORMANCE MEASURE			
MEASURE: Improving GDP and the economic accounts[1]			
Year	Status	Actual	Target
FY 2009	Met	Completed all major milestones related to improving the economic accounts	Completion of strategic plan milestones
FY 2008	Met	Completed all major milestones related to improving the economic accounts	Completion of strategic plan milestones
FY 2007	Met	Completed all major milestones related to improving the economic accounts	Completion of strategic plan milestones
FY 2006	Met	Completed all major milestones related to improving the economic accounts	Completion of strategic plan milestones
FY 2005	Met	Completed all major milestones related to improving the economic accounts	Completion of strategic plan milestones
FY 2004	Met	Completed all major milestones related to improving the economic accounts	Completion of strategic plan milestones
FY 2003	Met	Completed all major milestones related to improving the economic accounts	Completion of strategic plan milestones
FY 2002	Met	Developed new measures to address gaps and updated BEA's accounts; designed prototype of new quarterly survey of international services; developed new pilot estimates that provide better integration with other accounts	Develop new measures to address gaps and updated BEA's accounts; design prototype of new quarterly survey of international services; develop new pilot estimates that provide better integration with other accounts

[1] The BEA Strategic Plan and a report card of completed milestones are available in "About BEA" on *www.bea.gov*.

ESA/BEA PERFORMANCE MEASURE			
MEASURE: Meeting U.S. international obligations[1]			
Year	**Status**	**Actual**	**Target**
FY 2009	Met	Completed all major milestones related to meeting international obligations	Completion of strategic plan milestones
FY 2008	Met	Completed all major milestones related to meeting international obligations	Completion of strategic plan milestones
FY 2007	Met	Completed all major milestones related to meeting international obligations	Completion of strategic plan milestones
FY 2006	Met	Completed all major milestones related to meeting international obligations	Completion of strategic plan milestones
FY 2005	Met	Completed all major milestones related to meeting international obligations	Completion of strategic plan milestones
FY 2004	Met	Completed all major milestones related to meeting international obligations	Completion of strategic plan milestones
FY 2003	Met	Completed all major milestones related to meeting international obligations	Completion of strategic plan milestones

[1] The BEA Strategic Plan and a report card of completed milestones are available in "About BEA" on *www.bea.gov*.

ESA/BEA PERFORMANCE MEASURE			
MEASURE: Measuring the knowledge economy[1,2]			
Year	**Status**	**Actual**	**Target**
FY 2009	Met	Completed all major milestones related to meeting international obligations	Completion of strategic plan milestones
FY 2008	Met	Completed all major milestones related to meeting international obligations	Completion of strategic plan milestones
FY 2007	Met	Completed all major milestones related to meeting international obligations	Completion of strategic plan milestones
FY 2006	Met	Completed all major milestones related to meeting international obligations	Completion of strategic plan milestones

[1] Prior to FY 2009, this measure was known as "Budget Related: Preparation of Innovation Accounts."
[2] The BEA Strategic Plan and a report card of completed milestones are available in "About BEA" on *www.bea.gov*.

STRATEGIC OBJECTIVE 1.4

Position manufacturers to compete in a global economy

OBJECTIVE 1.4 RESOURCES[1] *(Dollars in Millions)*								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding[2]	$108.5	$111.3	$46.9	$102.7	$111.9	$107.3	$91.2	$112.6
FTE	89	89	68	71	67	67	68	70

[1] There is only one outcome for this objective, so a separate Performance Outcome Resources table does not appear.
[2] Performance actuals for this outcome lagged at least six months. Therefore, beginning with the FY 2005 PAR, NIST shifted to a format in which NIST reports actuals one year later. This data lag, coupled with the timeline for producing the PAR, precludes the reporting of actual FY 2009 data.

PERFORMANCE OUTCOME: Increase the productivity, profitability, and competitiveness of manufacturers (NIST)*,**

NIST PERFORMANCE MEASURE			
MEASURE: Number of clients served by Hollings Manufacturing Extension Partnership (MEP) centers receiving federal funding			
Year	Status	Actual	Target
FY 2009	Exceeded	31,961 from FY 2008 funding	14,500 from FY 2008 funding
FY 2008	Exceeded	28,004 from FY 2007 funding	21,237 from FY 2007 funding
FY 2007	Exceeded	24,722 from FY 2006 funding	16,440 from FY 2006 funding
FY 2006	Slightly Below	16,448 from FY 2005 funding	16,640 from FY 2005 funding
FY 2005	Exceeded	16,090 from FY 2004 funding	6,517 from FY 2004 funding
FY 2004	Met	18,422 from FY 2003 funding	16,684 from FY 2003 funding
FY 2003	Not Met	18,748 from FY 2002 funding	21,543 from FY 2002 funding

NIST PERFORMANCE MEASURE			
MEASURE: Increased sales attributed to Hollings MEP centers receiving federal funding			
Year	Status	Actual	Target
FY 2009	Exceeded	$3,300M from FY 2008 funding	$630M from FY 2008 funding
FY 2008	Exceeded	$5,600M from FY 2007 funding	$762M from FY 2007 funding
FY 2007	Exceeded	$3,100M from FY 2006 funding	$591M from FY 2006 funding
FY 2006	Exceeded	$2,842M from FY 2005 funding	$591M from FY 2005 funding
FY 2005	Exceeded	$1,889M from FY 2004 funding	$228M from FY 2004 funding
FY 2004	Exceeded	$1,483M from FY 2003 funding	$522M from FY 2003 funding
FY 2003	Exceeded	$953M from FY 2002 funding	$728M from FY 2002 funding
FY 2002	Not Met	$636M from FY 2001 funding	$708M from FY 2001 funding

* Actuals for this performance outcome lagged at least six months. Therefore, beginning with the FY 2005 PAR, NIST shifted to a format in which they report actuals one year later (i.e., FY 2004 actuals are reflected in the FY 2005 PAR). This data lag, coupled with the timeline for producing the PAR, precludes the reporting of actual FY 2009 data. With the exception of the number of clients, the data reported in the current year PAR are an estimate based on three-quarters of actual client reported impacts and one quarter estimated client impacts.
** Prior to FY 2009, this outcome was known as "Raise the productivity and competitiveness of small manufacturers."

NIST PERFORMANCE MEASURE			
MEASURE: Capital investment attributed to Hollings MEP centers receiving federal funding			
Year	Status	Actual	Target
FY 2009	Exceeded	$1,400M from FY 2008 funding	$485M from FY 2008 funding
FY 2008	Exceeded	$2,190M from FY 2007 funding	$955M from FY 2007 funding
FY 2007	Exceeded	$1,650M from FY 2006 funding	$740M from FY 2006 funding
FY 2006	Exceeded	$2,248M from FY 2005 funding	$740M from FY 2005 funding
FY 2005	Exceeded	$941M from FY 2004 funding	$285M from FY 2004 funding
FY 2004	Exceeded	$912M from FY 2003 funding	$559M from FY 2003 funding
FY 2003	Met	$940M from FY 2002 funding	$910M from FY 2002 funding
FY 2002	Not Met	$680M from FY 2001 funding	$913M from FY 2001 funding

NIST PERFORMANCE MEASURE			
MEASURE: Cost savings attributed to Hollings MEP centers receiving federal funding			
Year	Status	Actual	Target
FY 2009	Exceeded	$1,200M from FY 2008 funding	$330M from FY 2008 funding
FY 2008	Exceeded	$1,440M from FY 2007 funding	$521M from FY 2007 funding
FY 2007	Exceeded	$1,100M from FY 2006 funding	$405M from FY 2006 funding
FY 2006	Exceeded	$1,304M from FY 2005 funding	$405M from FY 2005 funding
FY 2005	Exceeded	$721M from FY 2004 funding	$156M from FY 2004 funding
FY 2004	Exceeded	$586M from FY 2003 funding	$353M from FY 2003 funding
FY 2003	Exceeded	$681M from FY 2002 funding	$497M from FY 2002 funding
FY 2002	Not Met	$442M from FY 2001 funding	$576M from FY 2001 funding

STRATEGIC GOAL 2

Promote U.S. innovation and industrial competitiveness

STRATEGIC GOAL 2 TOTAL RESOURCES[1] (Dollars in Millions)								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$2,000.7	$2,130.0	$2,100.9	$2,354.1	$2,607.6	$3,698.3	$3,701.2	$3,840.9
FTE	9,979	9,985	10,004	9,951	10,523	11,369	12,096	12,798

[1] Prior year amounts differ from previous PARs because the Department and NIST shifted the outcome, "Raise the productivity and competitiveness of small manufacturers (NIST)" from Strategic Goal 2 to Strategic Goal 1 beginning in FY 2008.

STRATEGIC OBJECTIVE 2.1

Advance measurement science and standards that drive technological change

OBJECTIVE 2.1 RESOURCES (Dollars in Millions)								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$805.0	$841.5	$783.2	$775.8	$862.3	$783.7	$836.3	$894.4
FTE	3,142	3,153	3,041	2,867	2,829	2,824	2,866	2,912

PERFORMANCE OUTCOME: Promote innovation, facilitate trade, and ensure public safety and security by strengthening the Nation's measurement and standards infrastructure (NIST)

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$579.2	$614.1	$576.8	$621.6	$762.4	$662.4	$759.3	$812.3
FTE	2,707	2,725	2,672	2,503	2,550	2,566	2,673	2,721

NIST PERFORMANCE MEASURE			
MEASURE: Qualitative assessment and review of technical quality and merit using peer review			
Year	Status	Actual	Target
FY 2009	Met	Completed	Complete annual peer review
FY 2008	Met	Completed	Complete annual peer review
FY 2007	Met	Completed	Complete annual peer review
FY 2006	Met	Completed	Complete annual peer review
FY 2005	Met	Completed	Complete annual peer review
FY 2004	Met	Completed	Complete annual peer review
FY 2003	Met	Completed	Complete annual peer review
FY 2002	Met	Completed	Complete annual peer review

NIST PERFORMANCE MEASURE			
MEASURE: Citation impact of NIST-authored publications			
Year	Status	Actual	Target
FY 2009	Met	> 1.1[1]	> 1.1
FY 2008	Met	> 1.1	> 1.1
FY 2007	Met	>1.1	>1.1

[1] Actual for this measure lags nine months. The actual shown here is based on FY 2008 data.

NIST PERFORMANCE MEASURE			
MEASURE: Peer-reviewed technical publications produced			
Year	Status	Actual	Target
FY 2009	Met	1,463	1,275
FY 2008	Met	1,271	1,100
FY 2007	Met	1,272	1,100
FY 2006	Met	1,163	1,100
FY 2005	Met	1,148	1,100
FY 2004	Not Met	1,070	1,300

NIST PERFORMANCE MEASURE			
MEASURE: Standard Reference Materials (SRM) sold			
Year	Status	Actual	Target
FY 2009	Slightly Below	29,769	31,000
FY 2008	Met	33,373	31,000
FY 2007	Met	32,614	30,000
FY 2006	Met	31,195	30,000
FY 2005	Met	32,163	29,500
FY 2004	Met	30,490	29,500

NIST PERFORMANCE MEASURE			
MEASURE: NIST-maintained datasets downloaded			
Year	Status	Actual	Target
FY 2009	Met	226,000,000	200,000,000
FY 2008	Exceeded	195,500,000	130,000,000
FY 2007	Exceeded	130,000,000	80,000,000
FY 2006	Met	94,371,001	80,000,000
FY 2005	Met	93,305,136	80,000,000
FY 2004	Exceeded	73,601,352	56,000,000

NIST PERFORMANCE MEASURE			
MEASURE: Number of calibration tests performed			
Year	Status	Actual	Target
FY 2009	Met	18,609	15,000
FY 2008	Exceeded	25,944	12,000
FY 2007	Exceeded	27,489	12,000

PERFORMANCE OUTCOME: Promote U.S. competitiveness by directing federal investment and R&D into areas of critical national need that support, promote, and accelerate high-risk, high-reward research and innovation in the United States (NIST)

PERFORMANCE OUTCOME RESOURCES *(Dollars in Millions)*								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	N/A	N/A	N/A	N/A	N/A	N/A	$54.5	$ 50.2
FTE	N/A	N/A	N/A	N/A	N/A	N/A	71	72

NIST PERFORMANCE MEASURE			
MEASURE: Cumulative number of TIP projects funded			
Year	Status	Actual	Target
FY 2009	Met	9	9

PERFORMANCE OUTCOME: Increase public access to worldwide scientific and technical information through improved acquisition and dissemination activities (NTIS)

PERFORMANCE OUTCOME RESOURCES *(Dollars in Millions)*								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$27.7	$27.7	$19.2	$15.9	$27.2	$27.9	$22.5	$31.9
FTE	186	181	165	157	144	131	122	119

NTIS PERFORMANCE MEASURE			
MEASURE: Number of updated items available (annual)			
Year	Status	Actual	Target
FY 2009	Met	893,138	745,000
FY 2008	Met	813,775	725,000
FY 2007	Met	744,322	665,000
FY 2006	Met	673,807	660,000
FY 2005	Met	658,138	530,000
FY 2004	Met	553,235	525,000
FY 2003	Met	530,910	520,000
FY 2002	Met	514,129	510,000

NTIS PERFORMANCE MEASURE			
MEASURE: Number of information products disseminated (annual)			
Year	Status	Actual	Target
FY 2009	Exceeded	49,430,840	32,850,000
FY 2008	Met	32,267,167	32,100,000
FY 2007	Met	32,027,113	27,100,000
FY 2006	Met	30,616,338	27,000,000
FY 2005	Met	26,772,015	25,800,000
FY 2004	Exceeded	25,476,424	18,000,000
FY 2003	Exceeded	29,134,050	17,000,000
FY 2002	Met	16,074,862	16,000,000

NTIS PERFORMANCE MEASURE			
MEASURE: Customer satisfaction			
Year	Status	Actual	Target
FY 2009	Met	98%	95-98%
FY 2008	Met	96%	95-98%
FY 2007	Met	98%	95-98%
FY 2006	Met	98%	95-98%
FY 2005	Met	98%	98%
FY 2004	Slightly Below	96%	98%
FY 2003	Slightly Below	97%	98%
FY 2002	Met	98%	97%

The Department discontinued the following outcome (and its corresponding measures) in FY 2007. However, since the funding amounts factor into the total for this objective and strategic goal, this PAR shows those amounts for informational purposes. Measures and targets for previous years appear in the FY 2007 PAR.

PERFORMANCE OUTCOME: Accelerate private investment in and development of high-risk, broad-impact technologies (NIST)

PERFORMANCE OUTCOME RESOURCES *(Dollars in Millions)*								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$198.1	$199.7	$187.2	$138.3	$72.7	$93.4	N/A	N/A
FTE	249	247	204	207	135	127	N/A	N/A

STRATEGIC OBJECTIVE 2.2

Protect intellectual property and improve the patent and trademark system

OBJECTIVE 2.2 RESOURCES (Dollars in Millions)								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$1,099.5	$1,190.9	$1,233.3	$1,508.4	$1,674.4	$1,766.4	$1,852.5	$1,862.5
FTE	6,593	6,581	6,694	6,825	7,446	8,291	8,962	9,595

PERFORMANCE OUTCOME: Optimize patent quality and timeliness (USPTO)

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$976.6	$1,019.6	$1,059.3	$1,245.8	$1,347.9	$1,506.8	1,616.1	$1,633.4
FTE	5,720	5,815	5,899	6,021	5,994	7,073	7,934	8,564

USPTO PERFORMANCE MEASURE			
MEASURE: Patent allowance compliance rate			
Year	Status	Actual	Target
FY 2009	Met	96.9%	96.5%
FY 2008	Met	96.3%	96.0%
FY 2007	Met	96.5%	96.0%
FY 2006	Met	96.5%	96.0%
FY 2005	Improved But Not Met	95.4%	96.0%
FY 2004	Not Met	94.7%	96.0%
FY 2003	Not Met	95.6%	96.0%
FY 2002	Met	95.8%	95.0%

USPTO PERFORMANCE MEASURE			
MEASURE: Patent in-process examination compliance rate			
Year	Status	Actual	Target
FY 2009	Met	93.2%	93.0%
FY 2008	Met	92.5%	92.0%
FY 2007	Met	92.2%	90.0%
FY 2006	Met	90.0%	86.0%
FY 2005	Met	86.2%	84.0%

USPTO PERFORMANCE MEASURE			
MEASURE: Patent average first action pendency (months)			
Year	Status	Actual	Target
FY 2009	Met	25.8	27.5
FY 2008	Met	25.6	26.9
FY 2007	Not Met	25.3	23.7
FY 2006	Slightly Below	22.6	22.0
FY 2005	Met	21.1	21.3
FY 2004	Met	20.2	20.2
FY 2003	Met	18.3	18.4
FY 2002	Not Met	16.7	14.7

USPTO PERFORMANCE MEASURE			
MEASURE: Patent average total pendency (months)			
Year	Status	Actual	Target
FY 2009	Met	34.6	37.9
FY 2008	Met	32.2	34.7
FY 2007	Met	31.9	33.0
FY 2006	Met	31.1	31.3
FY 2005	Met	29.1	31.0
FY 2004	Met	27.6	29.8
FY 2003	Met	26.7	27.7
FY 2002	Met	24.0	26.5

USPTO PERFORMANCE MEASURE			
MEASURE: Patent applications filed electronically			
Year	Status	Actual	Target
FY 2009	Met	82.5%	80.0%
FY 2008	Met	71.7%	69.0%
FY 2007	Met	49.3%	40.0%
FY 2006	Exceeded	14.2%	10.0%
FY 2005	Improved But Not Met	2.2%	4.0%
FY 2004	Improved But Not Met	1.5%	2.0%
FY 2003	Not Met	1.3%	2.0%

PERFORMANCE OUTCOME: Optimize trademark quality and timeliness (USPTO)

PERFORMANCE OUTCOME RESOURCES *(Dollars in Millions)*								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$122.9	$119.4	$112.0	$144.9	$149.6	$191.2	$190.7	$185.5
FTE	873	719	693	730	665	897	887	892

USPTO PERFORMANCE MEASURE			
MEASURE: Trademark first action compliance rate			
Year	Status	Actual	Target
FY 2009	Met	96.4%	95.5%
FY 2008	Met	95.8%	95.5%
FY 2007	Met	95.9%	95.5%
FY 2006	Met	95.7%	93.5%
FY 2005	Met	95.3%	92.5%
FY 2004	Met	92.1%	91.7%

USPTO PERFORMANCE MEASURE			
MEASURE: Trademark final compliance rate[1]			
Year	Status	Actual	Target
FY 2009	Met	97.6%	97.0%

[1] In FY 2009, USPTO replaced "Trademark final action compliance rate" with this measure, which is a more comprehensive measure of quality to include all actions that would result in an application being completed or disposed.

USPTO PERFORMANCE MEASURE			
MEASURE: Trademark first action pendency (months)			
Year	Status	Actual	Target
FY 2009	Met	2.7	2.5-3.5
FY 2008	Met	3.0	2.5-3.5
FY 2007	Met	2.9	3.7
FY 2006	Met	4.8	5.3
FY 2005	Met	6.3	6.4
FY 2004	Not Met	6.6	5.4
FY 2003	Not Met	5.4	3.0
FY 2002	Not Met	4.3	3.0

USPTO PERFORMANCE MEASURE			
MEASURE: Trademark average total pendency excluding suspended and inter partes proceedings (months)[1]			
Year	Status	Actual	Target
FY 2009	Met	11.2	13.0
FY 2008	Met	11.8	14.3

[1] In FY 2009, USPTO replaced "Trademark average total pendency (months)" with this measure, which is a better indicator of the amount of time it takes to dispose of the trademark application.

USPTO PERFORMANCE MEASURE			
MEASURE: Trademark applications processed electronically[1]			
Year	Status	Actual	Target
FY 2009	Met	62.0%	62.0%

[1] In FY 2009, USPTO replaced "Trademark applications filed electronically" with this measure, which better shows the rate at which applications that are disposed (abandoned or registered) are processed using automated system and transactions.

PERFORMANCE OUTCOME: Improve intellectual property and enforcement domestically and abroad (USPTO)*

PERFORMANCE OUTCOME RESOURCES *(Dollars in Millions)*								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	N/A	$51.9	$62.0	$117.7	$176.9	$68.4	$45.7	$43.6
FTE	N/A	47	102	74	787	321	141	139

USPTO PERFORMANCE MEASURE			
MEASURE: Percentage of countries on the USTR 301 list, awaiting World Trade Organization (WTO) accession, or targeted by the Office of Intellectual Property Policy and Enforcement (OIPPE) for improvements that have positively amended or improved their IP systems			
Year	Status	Actual	Target
FY 2009	Exceeded	54.0%	40.0%
FY 2008	Exceeded	74.0%	35.0%
FY 2007	Met	32.0%	30.0%
FY 2006	Not Met	26.0%	50.0%
FY 2005	Met	53.0%	50.0%

USPTO PERFORMANCE MEASURE			
MEASURE: Number of countries that implement at least 75% of action steps which improve IP protections in the joint cooperation, action, or work plans			
Year	Status	Actual	Target
FY 2009	Exceeded	5	4

* In FY 2009, USPTO replaced the following three measures with the second measure listed: "Number of instances in which External Affairs (EA) experts review intellectual property (IP) policies/standards"; Improving worldwide IP expertise for U.S. government interests"; and "Number of Memoranda of Agreement for IP joint cooperation, plans of actions, mechanisms, and support programs initiated or implemented by developing countries as a result of the Office of Intellectual Property Policy and Enforcement (OIPPE)."

STRATEGIC OBJECTIVE 2.3

Advance global e-commerce as well as telecommunications and information services

OBJECTIVE 2.3 RESOURCES (Dollars in Millions)								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual[1]	FY 2008 Actual	FY 2009 Actual
Total Funding	$96.2	$97.6	$84.4	$69.9	$70.9	$1,148.2	$1,012.4	$1,084.0
FTE	244	251	269	259	250	254	262	291

[1] In FY 2007, $1,070.3 was provided to the newly formed Digital Television and Public Safety Program.

PERFORMANCE OUTCOME: Ensure that the allocation of radio spectrum provides the greatest benefit to all people (NTIA)

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$23.4	$24.5	$28.5	$30.4	$36.8	$38.9	$35.8	$37.3
FTE	141	147	159	169	164	165	168	172

NTIA PERFORMANCE MEASURE			
MEASURE: Frequency assignment processing time (days)[1]			
Year	Status	Actual	Target
FY 2009	Met	9	9 or fewer
FY 2008	Met	9	9 or fewer
FY 2007	Met	9	9 or fewer
FY 2006	Met	9	9 or fewer
FY 2005	Met	10	12
FY 2004	Met	<12	12
FY 2003	Met	15	15

[1] Prior to FY 2008, this measure was known as "Timeliness of processing (days)."

NTIA PERFORMANCE MEASURE			
MEASURE: Certification request processing time (months)			
Year	Status	Actual	Target
FY 2009	Met	2	2 or fewer
FY 2008	Met	2	2 or fewer
FY 2007	Met	4	4 or fewer
FY 2006	Met	4	4 or fewer

NTIA PERFORMANCE MEASURE			
MEASURE: Space system coordination request processing time			
Year	Status	Actual	Target
FY 2009	Met	98%	90% in 14 days or fewer
FY 2008	Met	95%	90% in 14 days or fewer
FY 2007	Met	97%	80% in 14 days or fewer
FY 2006	Met	95%	80% in 14 days or fewer

NTIA PERFORMANCE MEASURE			
MEASURE: Spectrum plans and policies processing time			
Year	Status	Actual	Target
FY 2009	Exceeded	11 days	Comments in 15 days or fewer
FY 2008	Met	13.3 days	Comments in 15 days or fewer
FY 2007	Exceeded	13.3 days	Comments in 15 days or fewer
FY 2006	Met	13 days	Comments in 15 days or fewer

NTIA PERFORMANCE MEASURE			
MEASURE: Milestones completed from the implementation plan of the President's Spectrum Policy Initiative			
Year	Status	Actual	Target
FY 2009	Met	14 milestones	14 milestones
FY 2008	Met	22 milestones	22 milestones
FY 2007	Met	23 out of 29 milestones	23 out of 29 milestones
FY 2006	Met	18 out of 22 milestones	18 out of 22 milestones

PERFORMANCE OUTCOME: Promote the availability, and support new sources, of advanced telecommunications and information services (NTIA)

PERFORMANCE OUTCOME RESOURCES *(Dollars in Millions)*								
	FY 2002[1] Actual	FY 2003[1] Actual	FY 2004[1] Actual	FY 2005[1] Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$72.8	$73.1	$55.9	$39.5	$34.1	$1,109.3	$976.6	$1,046.7
FTE	103	104	110	90	86	89	94	119

[1] Amounts for FYs 2002-2004 include those for the discontinued outcome "Increase competition within the telecommunications sector and promote universal access to telecommunications services for all Americans."

NTIA PERFORMANCE MEASURE			
MEASURE: Support new telecom and information technology by advocating Administration views in number of FCC docket filings, and Congressional and other proceedings in which Administration views are advocated			
Year	**Status**	**Actual**	**Target**
FY 2009	Exceeded	12 dockets and proceedings	5 dockets and proceedings
FY 2008	Exceeded	11 dockets and proceedings	5 dockets and proceedings
FY 2007	Exceeded	8 dockets and proceedings	5 dockets and proceedings
FY 2006	Exceeded	12 dockets and proceedings	5 dockets and proceedings
FY 2005	Met	5 dockets and proceedings	5 dockets and proceedings

NTIA PERFORMANCE MEASURE			
MEASURE: Number of Web site views for research publications			
Year	**Status**	**Actual**	**Target**
FY 2009	Met	75,000/month	75,000/month
FY 2008	Exceeded	127,000/month	75,000/month
FY 2007	Exceeded	105,000/month	75,000/month
FY 2006	Exceeded	94,000/month	75,000/month

STRATEGIC GOAL 3

Promote environmental stewardship

STRATEGIC GOAL 3 TOTAL RESOURCES (Dollars in Millions)								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$3,398.4	$3,458.6	$3,802.0	$4,064.0	$4,306.5	$4,187.8	$4,234.4	$5,094.1
FTE	11,585	11,898	11,868	11,918	12,896	11,933	12,637	12,031

STRATEGIC OBJECTIVE 3.1

Protect, restore, and manage the use of coastal and ocean resources

OBJECTIVE 3.1 RESOURCES (Dollars in Millions)								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$1,334.2	$1,314.9	$1,268.5	$1,379.5	$1,363.2	$1,295.1	$1,354.1	$1,545.2
FTE	3,042	3,361	3,611	3,479	3,670	3,029	3,068	3,426

NOAA PERFORMANCE MEASURE			
MEASURE: Fish stock sustainability index (FSSI) [1]			
Year	Status	Actual	Target
FY 2009	Met	565.5	548.5
FY 2008	Met	535	530.5
FY 2007	Met	524	505
FY 2006		501	
FY 2005		481	
FY 2004		456	

[1] NOAA only recently developed the FSSI and therefore did not have any targets prior to FY 2007. NOAA did, however, have data from which they could derive the FSSI index for FY 2004-FY 2006.

NOAA PERFORMANCE MEASURE			
MEASURE: Percentage of living marine resources (LMR) with adequate population assessments and forecasts			
Year	Status	Actual	Target
FY 2009	Met	43.7%	42.1%
FY 2008	Slightly Below	40.2%	41.1%
FY 2007	Met	40.6%	40.0%
FY 2006	Not Met	38.8%	41.3%

NOAA PERFORMANCE MEASURE			
MEASURE: Number of protected species designated as threatened, endangered, or depleted with stable or increasing population levels			
Year	Status	Actual	Target
FY 2009	Met	25	22
FY 2008	Met	24	22
FY 2007	Met	26	26
FY 2006	Met	26	24

NOAA PERFORMANCE MEASURE			
MEASURE: Number of habitat acres restored (annual/cumulative)[1]			
Year	Status	Actual	Target
FY 2009	Met	9,232/58,974	9,000/58,742
FY 2008	Exceeded	11,254/49,742	9,000/47,488
FY 2007	Met	5,974/38,488	5,000/37,514
FY 2006	Exceeded	7,598/32,514	4,500/29,416
FY 2005	Exceeded	8,333/24,916	4,500/21,083
FY 2004	Exceeded	5,563/16,583	3,700/14,780
FY 2003	Exceeded	5,200/11,020	2,829

[1] Determination of whether target was met or exceeded is based on annual amount, since that is what was done in that year.

NOAA PERFORMANCE MEASURE			
MEASURE: Annual number of coastal, marine, and Great Lakes ecological characterizations that meet management needs			
Year	Status	Actual	Target
FY 2009	Met	50	50
FY 2008	Met	45	45
FY 2007	Met	27	27
FY 2006	Met	62	53

NOAA PERFORMANCE MEASURE			
MEASURE: Cumulative number of coastal, marine, and Great Lakes issue-based forecasting capabilities developed and used for management			
Year	Status	Actual	Target
FY 2009	Met	41	41
FY 2008	Met	38	38
FY 2007	Met	35	35
FY 2006	Met	31	31

NOAA PERFORMANCE MEASURE			
MEASURE: Percentage of tools, technologies, and information services that are used by NOAA partners/customers to improve ecosystem-based management			
Year	**Status**	**Actual**	**Target**
FY 2009	Met	86%	86%
FY 2008	Met	86%	86%
FY 2007	Met	85%	85%

NOAA PERFORMANCE MEASURE			
MEASURE: Annual number of coastal, marine, and Great Lakes habitat acres acquired or designated for long-term protection			
Year	**Status**	**Actual**	**Target**
FY 2009	Met	2,243[1]	2,000
FY 2008	Exceeded	6,219	2,000
FY 2007	Exceeded	3,020	2,000
FY 2006	Exceeded	> 86,000,000[2]	200,137

[1] Estimate.
[2] The large FY 2006 actual reflects the new Northwest Hawaiian Islands Marine National Monument.

STRATEGIC OBJECTIVE 3.2

Advance understanding of climate variability and change

OBJECTIVE 3.2 RESOURCES *(Dollars in Millions)*								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$312.0	$347.5	$239.5	$256.9	$236.1	$244.5	$271.8	$443.2
FTE	785	625	603	599	665	457	523	556

NOAA PERFORMANCE MEASURE			
MEASURE: U.S. temperature forecasts (cumulative skill score computed over the regions where predictions are made)			
Year	Status	Actual	Target
FY 2009	Exceeded	27.5	20
FY 2008	Exceeded	26	19
FY 2007	Exceeded	29	19
FY 2006	Exceeded	25	18
FY 2005	Met	19	18
FY 2004	Not Met	17	21
FY 2003	Not Met	17	20
FY 2002	Not Met	18	20

NOAA PERFORMANCE MEASURE			
MEASURE: Uncertainty in the magnitude of the North American carbon uptake			
Year	Status	Actual	Target
FY 2009	Met	0.40 GtC/year[1]	0.40 GtC/year
FY 2008	Met	0.40 GtC/year	0.40 GtC/year
FY 2007	Met	0.40 GtC/year	0.40 GtC/year
FY 2006	Met	0.40 GtC/year	0.40 GtC/year
FY 2005	Met	0.40 GtC/year	0.48 GtC/year
FY 2004	Met	0.50 GtC/year	0.70 GtC/year
FY 2003	Not Met	0.80 GtC/year	0.50 GtC/year

[1] Estimate.

NOAA PERFORMANCE MEASURE			
MEASURE: Uncertainty in model simulations of the influence of aerosols on climate			
Year	Status	Actual	Target
FY 2009	Met	20% improvement	20% improvement
FY 2008	Met	15% improvement	15% improvement
FY 2007	Met	10% improvement	10% improvement
FY 2006	Met	10% improvement	Establish 10% improvement

NOAA PERFORMANCE MEASURE			
MEASURE: Determine the national explained variance (%) for temperature and precipitation for the contiguous United States using U.S. Climate Reference Network (USCRN) stations			
Year	**Status**	**Actual**	**Target**
FY 2009	Met	Temperature – 98.3%, Precipitation – 95.1%	Temperature – 98.0%, Precipitation – 95.0%
FY 2008	Met	Temperature – 97.7%, Precipitation – 93.8%	Temperature – 96.0%, Precipitation – 95.0%
FY 2007	Met	Temperature – 97.7%, Precipitation – 93.8%	Temperature – 97.2%, Precipitation – 92.6%
FY 2006	Met	Temperature – 97.1%, Precipitation – 91.9%	Temperature – 97.0%, Precipitation – 91.4%
FY 2005	Met	Temperature – 96.9%, Precipitation – 91.4%	Temperature – 96.7%, Precipitation – 90.0%
FY 2004	Exceeded	Temperature – 96.0%, Precipitation – 90.0%	Temperature – 80.0%, Precipitation – 55.0%
FY 2003	Exceeded	Temperature – 95.0%, Precipitation – 84.0%	Temperature – 70.0%, Precipitation – 40.0%
FY 2002	Exceeded	Temperature – 85.0%, Precipitation – 55.0%	Temperature – 60.0%, Precipitation – 25.0%

NOAA PERFORMANCE MEASURE			
MEASURE: Error in global measurement of sea surface temperature			
Year	**Status**	**Actual**	**Target**
FY 2009	Met	0.50°C	0.50°C
FY 2008	Met	0.50°C	0.50°C
FY 2007	Not Met	0.53°C	0.50°C
FY 2006	Not Met	0.53°C	0.50°C

NOAA PERFORMANCE MEASURE			
MEASURE: Regionally focused climate impacts and adaptation studies communicated to decisionmakers			
Year	**Status**	**Actual**	**Target**
FY 2009	Met	37 assessments/evaluations	37 assessments/evaluations
FY 2008	Met	37 assessments/evaluations	35 assessments/evaluations
FY 2007	Met	32 assessments/evaluations	32 assessments/evaluations
FY 2006	Met	33 assessments/evaluations	32 assessments/evaluations

[1] Prior to FY 2009, this measure was known as "Ability of society to plan and respond to climate variability and change using NOAA climate products and information."

STRATEGIC OBJECTIVE 3.3

Provide accurate and timely weather and water information

OBJECTIVE 3.3 RESOURCES *(Dollars in Millions)*								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$1,188.8	$1,284.1	$883.6	$898.1	$926.8	$946.7	$927.6	$1,009.3
FTE	5,100	4,912	4,760	4,654	4,907	4,708	5,241	4,687

NOAA PERFORMANCE MEASURE			
MEASURE: Cumulative percentage of U.S. shoreline and inland areas that have improved ability to reduce coastal hazard impacts			
Year	Status	Actual	Target
FY 2009	Met	32%	32%
FY 2008	Met	32%	32%
FY 2007	Met	32%	32%
FY 2006	Met	32%	32%
FY 2005	Met	28%	28%
FY 2004	Met	17%	17%
FY 2003	Met	17%	17%
FY 2002	Not Met	8%	17%

NOAA PERFORMANCE MEASURE			
MEASURE: Severe weather warnings for tornadoes (storm-based) – Lead time (minutes)[1]			
Year	Status	Actual	Target
FY 2009	Met	12[2]	12
FY 2008	Exceeded	14	11
FY 2007	Met	14	13
FY 2006	Met	13	13
FY 2005	Met	13	13
FY 2004	Met	13	12
FY 2003	Met	13	12
FY 2002	Met	12	11

[1] Prior to FY 2008, these warnings were county-based rather than storm-based. The difference is provided at *www.weather.gov/sbwarnings/*. Prior to FY 2007, this measure was known as "Tornado warnings lead time (minutes)."
[2] Estimate.

NOAA PERFORMANCE MEASURE			
MEASURE: Severe weather warnings for tornadoes (storm-based) – Accuracy (%)[1]			
Year	Status	Actual	Target
FY 2009	Slightly Below	66%[2]	69%
FY 2008	Met	72%	67%
FY 2007	Met	80%	76%
FY 2006	Slightly Below	75%	76%
FY 2005	Met	76%	73%
FY 2004	Met	75%	72%
FY 2003	Met	79%	72%
FY 2002	Met	76%	69%

[1] Prior to FY 2008, these warnings were county-based rather than storm-based. The difference is provided at *www.weather.gov/sbwarnings/*. Prior to FY 2007, this measure was known as "Tornado warnings accuracy (%)."
[2] Estimate.

NOAA PERFORMANCE MEASURE			
MEASURE: Severe weather warnings for tornadoes (storm-based) – False alarm rate (%)[1]			
Year	Status	Actual	Target
FY 2009	Not Met	77%[2]	72%
FY 2008	Met	75%	74%
FY 2007	Met	75%	75%
FY 2006	Slightly Below	79%	75%
FY 2005	Slightly Below	77%	73%
FY 2004	Improved But Not Met	74%	70%
FY 2003	Not Met	76%	72%
FY 2002	Slightly Below	73%	71%

[1] Prior to FY 2008, these warnings were county-based rather than storm-based. The difference is provided at *www.weather.gov/sbwarnings/*. Prior to FY 2007, this measure was known as "Tornado warnings false alarm rate (%)."
[2] Estimate.

NOAA PERFORMANCE MEASURE			
MEASURE: Severe weather warnings for flash floods – Lead time (minutes)			
Year	Status	Actual	Target
FY 2009	Exceeded	73	49
FY 2008	Exceeded	77	48
FY 2007	Exceeded	61	48
FY 2006	Met	49	48
FY 2005	Met	54	48
FY 2004	Improved But Not Met	47	50
FY 2003	Not Met	41	47
FY 2002	Met	52	45

NOAA PERFORMANCE MEASURE			
MEASURE: Severe weather warnings for flash floods – Accuracy (%)			
Year	Status	Actual	Target
FY 2009	Met	91%	90%
FY 2008	Met	91%	90%
FY 2007	Met	91%	89%
FY 2006	Met	89%	89%
FY 2005	Met	89%	89%
FY 2004	Met	89%	88%
FY 2003	Met	89%	87%
FY 2002	Met	89%	86%

NOAA PERFORMANCE MEASURE			
MEASURE: Hurricane forecast track error (48 hours) (nautical miles)[1]			
Year	Status	Actual	Target
FY 2009	Met	86[2]	108
FY 2008	Exceeded	86	110
FY 2007	Met	97	110
FY 2006	Met	97	111
FY 2005	Met	101	128
FY 2004	Exceeded	94	129
FY 2003	Met	107	130
FY 2002	Met	122	142

[1] Beginning in FY 2007, NOAA reported the previous year's results because data is not available until February and good estimates cannot be determined.
[2] Reflects 2008 target and actual results. 2009 results not available until February 2010.

NOAA PERFORMANCE MEASURE			
MEASURE: Hurricane forecast intensity error (48 hours) (difference in knots)			
Year	Status	Actual	Target
FY 2009	Slightly Below	14[1]	13

[1] Reflects 2008 target and actual results. 2009 results not available until February 2010.

NOAA PERFORMANCE MEASURE			
MEASURE: Accuracy (%) (threat score) of day 1 precipitation forecasts			
Year	Status	Actual	Target
FY 2009	Met	30%	29%
FY 2008	Met	33%	29%
FY 2007	Met	31%	29%
FY 2006	Met	30%	28%
FY 2005	Met	29%	27%
FY 2004	Met	29%	25%
FY 2003	Met	29%	25%
FY 2002	Exceeded	26%	17%

NOAA PERFORMANCE MEASURE			
MEASURE: Winter storm warnings – Lead time (hours)			
Year	Status	Actual	Target
FY 2009	Met	18	16
FY 2008	Met	17	15
FY 2007	Exceeded	19	15
FY 2006	Met	17	15
FY 2005	Met	17	15
FY 2004	Met	15	14
FY 2003	Met	14	13
FY 2002	Met	13	13

NOAA PERFORMANCE MEASURE			
MEASURE: Winter storm warnings – Accuracy (%)			
Year	Status	Actual	Target
FY 2009	Slightly Below	90%	91%
FY 2008	Slightly Below	89%	90%
FY 2007	Met	92%	90%
FY 2006	Slightly Below	89%	90%
FY 2005	Met	91%	90%
FY 2004	Met	91%	89%
FY 2003	Met	90%	88%
FY 2002	Met	89%	86%

STRATEGIC OBJECTIVE 3.4

Support safe, efficient, and environmentally sound commercial navigation

OBJECTIVE 3.4 RESOURCES *(Dollars in Millions)*								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$249.9	$261.6	$192.8	$175.0	$198.7	$189.4	$195.0	$239.8
FTE[1]	942	1,004	716	749	774	691	774	738

NOAA PERFORMANCE MEASURE			
MEASURE: Reduce the hydrographic survey backlog within navigationally significant areas (square nautical miles surveyed per year)			
Year	Status	Actual	Target
FY 2009	Met	3,219[1]	3,000
FY 2008	Not Met	2,127	2,500
FY 2007	Exceeded	3,198	1,350
FY 2006	Met	2,851	2,500
FY 2005	Met	3,079	2,700
FY 2004	Improved But Not Met	2,070	2,290
FY 2003	Not Met	1,762	2,100

[1] Estimate.

NOAA PERFORMANCE MEASURE			
MEASURE: Percentage of U.S. counties rated as fully enabled or substantially enabled with accurate positioning capacity			
Year	Status	Actual	Target
FY 2009	Met	72.0%	69.0%
FY 2008	Met	60.2%	60.0%
FY 2007	Met	51.6%	49.0%
FY 2006	Met	43.3%	39.0%
FY 2005	Met	32.2%	28.0%

NOAA PERFORMANCE MEASURE			
MEASURE: Marine wind speed accuracy (%)[1]			
Year	Status	Actual	Target
FY 2009	Met	73%	69%
FY 2008	Met	72%	68%
FY 2007	Met	73%	68%
FY 2006	Not Met	55%	58%
FY 2005	Met	57%	57%
FY 2004	Met	57%	57%
FY 2003	Met	57%	54%
FY 2002	Met	53%	53%

[1] Prior to FY 2003, this measure was combined with "Marine wind speed accuracy."

NOAA PERFORMANCE MEASURE			
MEASURE: Marine wave height accuracy (%)[1]			
Year	Status	Actual	Target
FY 2009	Met	77%	74%
FY 2008	Met	77%	73%
FY 2007	Met	78%	73%
FY 2006	Met	70%	68%
FY 2005	Met	67%	67%
FY 2004	Not Met	67%	69%
FY 2003	Met	71%	66%

[1] Prior to FY 2003, this measure was combined with "Marine Wave height accuracy."

NOAA PERFORMANCE MEASURE			
MEASURE: Aviation forecast accuracy for ceiling/visibility (3 mile/1,000 feet or less) (%)[1,2]			
Year	Status	Actual	Target
FY 2009	Slightly Below	63%	64%
FY 2008	Slightly Below	62%	63%
FY 2007	Met	62%	62%
FY 2006	Not Met	43%	47%
FY 2005	Met	46%	46%
FY 2004	Slightly Below	45%	46%
FY 2003	Met	48%	45%
FY 2002	Not Met	13%	18%

[1] Prior to FY 2003, NOAA used a different method to calculate accuracy—targets were significantly lower than the current method.
[2] From FY 2007 on, the aviation measures were redefined to cover the IFR (Instrument Flight Rule) airspace instead of the limited IFR range of 5,000 feet to three miles. This change was to increase the usefulness of the measure to the general and commercial aviation communities. This change required the measures to be re-baselined. While the numbers for accuracy and FAR appear to be reversed when comparing earlier years, they are actually measuring different things.

NOAA PERFORMANCE MEASURE			
MEASURE: Aviation forecast FAR for ceiling visibility (3 miles/1,000 feet or less) (%)[1,2]			
Year	Status	Actual	Target
FY 2009	Met	38%	43%
FY 2008	Met	39%	44%
FY 2007	Met	40%	45%
FY 2006	Met	64%	65%
FY 2005	Met	63%	68%
FY 2004	Met	65%	70%
FY 2003	Met	64%	71%
FY 2002	Met	58%	52%

[1] Prior to FY 2003, NOAA used a different method to calculate false alarm rate—targets were significantly lower than the current method.
[2] From FY 2007 on, the aviation measures were redefined to cover the IFR (Instrument Flight Rule) airspace instead of the limited IFR range of 5,000 feet to three miles. This change was to increase the usefulness of the measure to the general and commercial aviation communities. This change required the measures to be re-baselined. While the numbers for accuracy and FAR appear to be reversed when comparing earlier years, they are actually measuring different things.

MISSION SUPPORT OBJECTIVE: Provide critical support for NOAA's mission (NOAA)*

PERFORMANCE OBJECTIVE RESOURCES *(Dollars in Millions)*								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$313.5	$250.5	$1,217.6	$1,354.5	$1,581.7	$1,512.1	$1,485.9	$1,856.6
FTE	1,716	1,996	2,178	2,437	2,880	3,048	3,031	2,624

* There are no GPRA measures for the Mission Support objective, since the activities of this objective support the outcomes of the four other NOAA objectives.

MANAGEMENT INTEGRATION GOAL

Achieve organizational and management excellence

MANAGEMENT INTEGRATION GOAL RESOURCES (Dollars in Millions)								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$70.1	$71.2	$72.8	$70.9	$71.8	$72.2	$67.7	$79.3
FTE	319	326	309	292	315	297	291	297

PERFORMANCE OUTCOME: Ensure effective resource stewardship in support of the Department's programs (DM)

PERFORMANCE OUTCOME RESOURCES[1] (Dollars in Millions)								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	$49.2	$49.2	$51.8	$49.5	$49.3	$40.2	$36.9	$43.1
FTE	183	186	181	177	177	173	178	180

[1] In FY 2008, DM split its one performance outcome into three separate outcomes. All funding for FY 2002-FY 2006 is shown in this outcome. FTE is not split among the three outcomes.

DM PERFORMANCE MEASURE			
MEASURE: Provide accurate and timely financial information and conform to federal standards, laws, and regulations governing accounting and financial management			
Year	**Status**	**Actual**	**Target**
FY 2009	**Not Met**	• Completed FY 2009 A-123 assessment of internal controls for financial reporting • One significant deficiency was not eliminated	• Eliminate any significant deficiency within 1 year of determination • Complete FY 2009 A-123 assessment of internal controls
FY 2008	**Not Met**	• The Department closed 70% of prior year financial systems audit findings • Completed FY 2008 A-123 assessment of internal controls for financial reporting • Significant deficiency was not eliminated	• Eliminate any significant deficiency within 1 year of determination • Complete FY 2008 A-123 assessment of internal controls
FY 2007	**Not Met**	• Completed migration of Commerce Business System • Completed assessment of internal controls • Significant deficiency was not eliminated	• Eliminate any significant deficiency within 1 year of determination • Complete internal control and document review • Complete FY 2007 A-123 assessment of internal controls • Migrate Commerce Business System (CBS) to an all Web-based architecture
FY 2006	**Not Met**	Reportable condition not eliminated	• Eliminate any reportable condition within 1 year of determination. • 95% of management with access to the CRS have financial data/reports by the 15th of month
FY 2005	**Not Met**	Reportable condition not eliminated	Eliminate any reportable condition
FY 2004	**Met**	100%	100%
FY 2003	**Met**	100%	100%
FY 2002	**Met**	100%	100%

DM PERFORMANCE MEASURE			
MEASURE: Effectively use commercial services management[1]			
Year	**Status**	**Actual**	**Target**
FY 2009	**Met**	Due to change in Administration, all new competitive sourcing comparisons have been placed on hold. The same is true for the Green Plan. 2009 FAIR Act Inventory filed timely with OMB.	Use business process re-engineering or similar initiatives to identify operational efficiency and effectiveness opportunities
FY 2008	**Met**	Completed several feasibility studies in FY 2008 and planned several more for FY 2009	Use business process reengineering, feasibility studies, and/or similar initiatives to identify operational efficiency and effectiveness opportunities
FY 2007	**Met**	Bureaus identified FY 2008 feasibility studies which were submitted as part of the Green Plan[2]	Update and/or continue to implement FY 2006 plan to conduct feasibility studies of Department commercial functions to determine potential new competitions/studies in the outyears
FY 2006	**Met**	Green Plan[2] submitted to OMB on 9/28/2006	Finalize new green competition plan based on 08/2005 CFO council outcome
FY 2005	**Met**	Feasibility studies nominated for 168 FTE	Complete feasibility studies for 168 FTE to determine 2005-2006 studies
FY 2004	**Met**	New FAIR inventory guidance developed	Multi-year plan under development
FY 2003	**Not Met**	Completed competitions on 6.6%	Complete competitions on 10%
FY 2002	**Not Met**	Completed competitions on 1%	Complete competitions on 5%

[1] For FY 2005 -FY 2007, this measure was known as "Effectively use competitive sourcing." Prior to FY 2005, this measure was known as "Expand A-76 competitions and more accurate FAIR Act inventories."
[2] Green Plan will lay out the Departmental short and long-range plans to conduct feasibility studies of all major commercial (and available) functions and will identify approved FY 2006-2007 competitions.

DM PERFORMANCE MEASURE			
MEASURE: Obligate funds through performance-based contracting (% of eligible service contracting $)			
Year	**Status**	**Actual**	**Target**
FY 2009	**Improved But Not Met**	45%	50%
FY 2008	**Not Met**	28%	50%
FY 2007	**Not Met**	28%	40%
FY 2006	**Not Met**	30%	50%
FY 2005	**Not Met**	< 50%	50%
FY 2004	**Met**	42%	40%
FY 2003	**Not Met**	24%	30%
FY 2002	**Met**	31%	25%

PERFORMANCE OUTCOME: Ensure retention of highly qualified staff in mission-critical positions (DM)

PERFORMANCE OUTCOME RESOURCES[1] *(Dollars in Millions)*								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	N/A	N/A	N/A	N/A	N/A	$3.3	$2.1	$2.1
FTE	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

[1] In FY 2008, DM split its one performance outcome into three separate outcomes. All funding for FY 2002-FY 2006 is shown in the first outcome "Ensure effective resource stewardship in support of the Department's programs." All FTE is shown in the first outcome. FY 2008 actual amounts have been updated since the publication of the FY 2008 PAR.

DM PERFORMANCE MEASURE			
MEASURE: Acquire and maintain diverse and highly qualified staff in mission-critical occupations			
Year	**Status**	**Actual**	**Target**
FY 2009	Exceeded	• Competency models in place for four series including budget analyst, meteorologist, oceanographer, and hydrologist • Average time to fill of 31 days for non-SES vacancies • 100 trainees graduated from leadership development programs • Department employees nationwide applied to ALDP	• Have new competency models in place for three mission-critical occupations for use in applicant selections and training and development decisions • Meet or exceed the 45-day hiring goals mandated by OPM • Train up to 50-60 participants on leadership development programs via ALDP, ELDP, and APCP • Open ALDP to Department employees nationwide
FY 2008	Exceeded	• Delivered a total of 4 competency models for the economist, acquisition, mathematical statistician, and chemist series • Exceeded the OPM 45-day-time-to-hire standard with an average fill time of 31 days for non-SES vacancies	• Have new competency models in place for three mission-critical occupations for use in applicant selections and training and development decisions • Meet or exceed the 45-day hiring goals mandated by OPM
FY 2007	Met	• Trained post-secondary internship program applicants to increase applicant pools • Trained managers to make better hiring decisions • Trained employees in project management to close skill gaps	• Improve recruitment strategies via targeted activities • Assist managers in making better selections • Close skill gaps
FY 2006	Met	• Marketed job vacancies to organizations via automated hiring system • Participated in career fairs and special programs • Conducted training of managers & employees	• Improve recruitment strategies via targeted activities • Assist managers in making better selections • Close skill gaps
FY 2005	Met	• Improved from 28 to 29% • Maintained 30 day fill-time	• Improve representation in underrepresented groups • Maintain 30 day fill-time

PERFORMANCE OUTCOME: Acquire and manage technology resources to support program goals (DM)

PERFORMANCE OUTCOME RESOURCES[1] *(Dollars in Millions)*								
	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual
Total Funding	N/A	N/A	N/A	N/A	N/A	$6.1	$3.7	$7.6
FTE	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

[1] In FY 2008, DM split its one performance outcome into three separate outcomes. All funding for FY 2002-FY 2006 is shown in the first outcome "Ensure effective resource stewardship in support of the Department's programs." All FTE is shown in the first outcome. FY 2008 actual amounts have been updated since the publication of the FY 2008 PAR.

DM PERFORMANCE MEASURE			
MEASURE: Improve the management of information technology			
Year	**Status**	**Actual**	**Target**
FY 2009	**Met**	• Cost/schedule overruns and performance shortfalls averaged under 10% • CSAM C&A enhancements were deployed • IT security compliance in all operating units and five FISMA systems in CSAM were reviewed	• Cost/schedule overruns/performance shortfalls less than 10% • All national-critical and mission-critical systems certified and accredited with acceptable, quality documentation in place
FY 2008	**Met**	• Cost/schedule overruns/performance shortfalls less than 10% • All national-critical and mission-critical systems certified and accredited with acceptable, quality documentation in place	• Cost/schedule overruns/performance shortfalls less than 10% • All national-critical and mission-critical systems certified and accredited with acceptable, quality documentation in place
FY 2007	**Met**	• Cost/schedule overruns/performance shortfalls less than 10%. • All national-critical and mission-critical systems certified and accredited	• Cost/schedule overruns/performance shortfalls less than 10% • All national-critical and mission-critical systems certified and accredited
FY 2006	**Met**	• Cost overruns and performance shortfalls less than 10% • All national-critical and mission-critical systems certified and accredited	• Cost/schedule overruns/performance shortfalls less than 10% • All national-critical and mission-critical systems certified and accredited
FY 2005	**Met**	• Cost overruns and performance shortfalls less than 10%	• Cost overruns and performance shortfalls less than 10%

PERFORMANCE OUTCOME: Promote improvements to Department programs and operations by identifying and completing work that (1) promotes integrity, efficiency, and effectiveness; and (2) prevents and detects fraud, waste, and abuse (OIG)

PERFORMANCE OUTCOME RESOURCES *(Dollars in Millions)*								
	FY 2002 Actual	**FY 2003 Actual**	**FY 2004 Actual**	**FY 2005 Actual**	**FY 2006 Actual**	**FY 2007 Actual**	**FY 2008 Actual**	**FY 2009 Actual**
Total Funding FTE	$20.9 136	$22.0 140	$21.0 128	$21.4 115	$22.5 138	$22.6 124	$25.0 113	$26.5 117

OIG PERFORMANCE MEASURE			
MEASURE: Percentage of OIG recommendations accepted by Departmental and bureau management			
Year	**Status**	**Actual**	**Target**
FY 2009	**Met**	97%	95%
FY 2008	**Met**	100%	95%
FY 2007	**Met**	96%	95%
FY 2006	**Met**	96%	95%
FY 2005	**Met**	99%	90%
FY 2004	**Met**	98%	90%
FY 2003	**Met**	97%	90%

OIG PERFORMANCE MEASURE			
MEASURE: Dollar value of financial benefits identified by the OIG			
Year	Status	Actual	Target
FY 2009	Exceeded	$126.9M	$28.0M
FY 2008	Exceeded	$113.0M	$28.0M
FY 2007	Exceeded	$51.7M	$29.6M
FY 2006	Met	$34.2M	$30.0M
FY 2005	Exceeded	$32.0M	$23.0M
FY 2004	Exceeded	$26.0M	$20.0M
FY 2003	Exceeded	$43.3M	$20.0M

OIG PERFORMANCE MEASURE			
MEASURE: Percentage of criminal and civil matters that are accepted for prosecution			
Year	Status	Actual	Target
FY 2009	Met	78%	63%
FY 2008	Met	73%	63%
FY 2007	Met	73%	63%
FY 2006	Exceeded	91%	63%
FY 2005	Exceeded	81%	62%
FY 2004	Exceeded	67%	50%
FY 2003	Met	50%	50%

STAKEHOLDERS AND CROSSCUTTING PROGRAMS

The Department has numerous crosscutting programs involving multiple bureaus: other federal, state, and local agencies; foreign government; and private enterprise. Federal programs dealing with economic and technological development, the natural environment, international trade, and demographic and economic statistics play a major role in advancing the welfare of all Americans. The Department continues to work with other government agencies in furthering efforts in these areas for the American public. Examples of crosscutting programs external to the Department's bureaus include the following federal, state, local, and international agencies:

DEPARTMENT OF COMMERCE BUREAU ACTIVITIES	OTHER FEDERAL AGENCIES AND ORGANIZATIONS[1]	
Chemical Weapons Convention compliance	Department of Agriculture	National Science Foundation
Defense industrial base activities	Department of Defense	Small Business Administration
Economic development	Department of Education	U.S. Postal Service
Economic distress and recovery efforts	Department of Energy	Agency for Health Care Research and Quality
Environmental programs	Department of Health and Human Services	Customs/Border and Transportation Security/Homeland Security
Export controls	Department of Homeland Security	Federal Aviation Administration
Homeland security	Department of Housing and Urban Development	Federal Bureau of Investigation
Improvements to the environment	Department of Justice	Food and Drug Administration
Market access/improvements	Department of Labor	Bureau of Justice Statistics
Measurements and standards	Department of State	National Institutes of Health
Minority-owned business development	Department of Transportation	Bureau of Transportation Statistics
Patents and trademarks and intellectual property	Department of the Treasury	U.S. Coast Guard
Research	Agency for International Development	Delta Regional Authority
Telecommunications	Appalachian Regional Commission	Indian Tribes
Technology transfer	Central Intelligence Agency	States
Tracking the U.S. economy through GDP and other statistics	Environmental Protection Agency	Other Countries and Organizations
Trade policies	Federal Communications Commission	European Patent Office
	National Aeronautics and Space Administration	

[1] *Note: This is not an all-inclusive listing.*

TOP MANAGEMENT CHALLENGES FACING THE DEPARTMENT

Each year, the Department's Office of Inspector General (OIG) reviews the Department's and its component bureaus' program activities to ensure that the management, financial, and operational activities are sound and meet the requirements of the Chief Financial Officers (CFO) Act and the Government Performance and Results Act (GPRA).

The emphasis by the President, the Office of Management and Budget (OMB), and Congress on improved government accountability underscores the Department's resolve to enhance transparency within the Department while promoting improved efficiency and effectiveness. Progress in these endeavors requires strong commitment from the Department's senior leadership and staff at all levels.

The Inspector General (IG) identified the top five management challenges facing the Department along with four other issues requiring significant management attention in a November 2008 report entitled *Top Management Challenges Facing the Department of Commerce*. The following is the Department's summary of these challenges and issues; along with the actions it has and is taking to address them. The IG's complete text of the challenges and issues may be found on the OIG Web site at *http://www.oig.doc.gov/oig/reports/2008/OIG-19384.pdf*.

Challenge 1: Control the Cost and Improve the Accuracy of the Decennial Census

Overview

The ability of the Census Bureau to successfully conduct its decennial count of U.S. residents in 2010 is at serious risk. After spending eight years developing a completely new approach to census-taking—one that was to automate major field operations—the Bureau scrapped plans for using handheld computer technology for the largest and most expensive of these operations—nonresponse follow-up—because of significant performance problems and the Bureau's loss of confidence in the Field Data Collection Automation (FDCA) contractor. It will now conduct this operation using paper and pencil, as it has done in previous censuses. The inability to produce a handheld computer, combined with major flaws in the Bureau's cost-estimating methods, added an estimated $2.2 billion to $3 billion to the original $11.5 billion life-cycle cost estimate for the 2010 Decennial Census. Despite changes made by the Department and the Census Bureau, significant risks remain for the 2010 Decennial Census. An inaccurate population count will have unacceptable consequences for the Nation: at stake is apportionment of the 435 seats in the House of Representatives and equitable distribution of billions of dollars in federal and state aid. Both the Government Accountability Office (GAO) and OMB have designated the 2010 Decennial Census as a high-risk program and it is under intense scrutiny by Congress.

The overarching explanation for the significant problems is the failure of senior Census Bureau managers to anticipate the complex information technology (IT) requirements involved in automating the census. The Bureau had intended to develop handheld devices in-house and tested prototypes in both 2004 and 2006. The devices had serious problems in both tests. The Bureau decided too late in the decade to contract for automation of field operations to meet ambitious fixed deadlines

for the dress rehearsal tests starting in 2007 and decennial operations starting in 2009. As late as January 2008—nearly two years after contract award—the Bureau finally delivered a first draft of a set of requirements for the handhelds and supporting infrastructure. It had no contingency plan in the event the handhelds proved unusable. Tremendous setbacks occurred for several operations in addition to nonresponse follow-up such as plans for testing and enhancing the handhelds for address canvassing—the only operation that will still use the devices. Because of the inordinate attention and resources necessary to address field automation problems, the Bureau has not addressed the ability to enumerate traditionally difficult groups and settings, such as the homeless, military bases, and group quarters. Furthermore, the Bureau eschews open dialog with outside parties and even its own regional operations. As decennial census planning proceeded, the Bureau minimized the significance of its problems, withheld information, and was not forthcoming with the Department, Congress, the OIG, and other oversight agencies about the problems it was experiencing, allowing them to persist to the point of crisis. Because Bureau staff view the decennial as so unique that there is little to be learned from newcomers or external sources, this vision has left the Bureau unreceptive to new ways of doing business. It has not kept pace with private sector advances in business process improvement and lacks insight into how advances can benefit census operations. Leadership with private sector expertise is vital not only for improving decennial management but also for reappraising the Bureau's other programs and administrative operations. Although the Bureau made personnel changes after the FDCA crisis became public, it has not yet brought in external management with expertise in successfully running complex programs and system acquisitions or in implementing contemporary private sector management methods.

In the wake of the FDCA problems, the then Secretary of Commerce, Carlos Gutierrez, announced that management and oversight of the 2010 census would be strengthened and deepened both at the Bureau and the Department. He assigned several members of the Department's senior political leadership to work with the Bureau on a recovery plan, which has given the Secretary some measure of influence over the plan and visibility into the Bureau's progress. However, the transition of key departmental leadership positions due to the new administration necessarily creates the risk of disrupting existing oversight efforts for the most critical program for which the new Secretary will initially be accountable. In addition, since the Bureau director is a presidential appointee, there is the prospect that the director position will turn over again after the current director has been on the job for slightly more than one year. The inevitable delay involved in nominating and gaining confirmation of a new director means that the Bureau will begin major decennial operations without the benefit of significant leadership continuity and management improvements. Given the major late-stage changes to 2010 operations, having two short-time directors during the final two years of the decennial cycle, coupled with the long-term absence of proven high-level management expertise, could create additional challenges the Bureau must be poised to address.

With the first major decennial operation (address canvassing) beginning in early 2009, Secretary Gary Locke will have little opportunity to impact planning for the 2010 decennial, although he will have responsibility for its overall implementation. Secretary Locke *does* have the opportunity to impact planning for the 2020 census. The Department believes that applying the lessons learned from the 2010 decennial to the planning and re-engineering of the 2020 decennial should also be a high priority for Secretary Locke.

Actions Taken by Bureaus/Operating Units

The OIG recounts in some depth the issues and problems that arose in the winter of 2007 that led to Secretary Gutierrez's decision in April 2008 to significantly reduce the use of automation for 2010 census field data collection. However, there has been virtually no acknowledgement of the efforts the Bureau has made since then.

The Census Bureau began implementing its decennial census "recovery plan" in April 2008, focusing on seven areas:

1. Launching replan operations for paper non-response follow-up;
2. Reducing risk in the FDCA contract;
3. Improving program management;
4. Improving risk management;
5. Improving schedule management;
6. Developing a program testing plan; and
7. Improving internal and external communications.

To support these areas of the recovery plan, the Census Bureau has taken a number of specific steps, including:

1. Key staffing changes and Program Management Office improvements;
2. Closer scrutiny of the FDCA contract and replan efforts;
3. Improved technical assessments including embedding staff with the contractor, Harris Corp; and
4. Working more closely with OMB, GAO, and other stakeholders to improve oversight and performance management.

For example, in response to GAO's designation of the 2010 census as a high-risk federal program, the Bureau has developed a comprehensive improvement plan. This plan encompasses four key actions: (1) develop an integrated and comprehensive plan to control costs and manage operations, (2) strengthen risk management activities, (3) strengthen systems testing, and (4) Improve management of the field data collection automation effort.

The Census Bureau's efforts to strengthen cost control and operational management have focused on improving communications, schedule management, and budget management. As one example, the "Executive [Schedule] Alert Report" produced weekly since July 23, 2008 focuses on the 45-50 key activities on the critical path to a successful census. The report itself is briefed to the Census Bureau Director and the Under Secretary weekly, and to OMB monthly.

Strengthening risk management activities is well underway. The Bureau has identified 24 program-level risks, linked all project-level (operational) risks to these program-level risks, and has completed documenting formal risk mitigation strategies and contingency plans for all 24 risks.

To improve the key decennial census systems and to improve the contractor-supplied systems, the Census Bureau has focused more on the near-term key operations than the later ones. Consequently, the Bureau devoted major attention to the first two (2009) operations—address canvassing and group quarters validation—both of which are needed to update the Master Address File (MAF) and the TIGER (Topologically Integrated Geographic Encoding and Referencing System) spatial database. MAF/TIGER is the foundation of the census—it creates the universe for all other operations that collect information from the public.

The principle behind the development of the 2010 census has been to test thoroughly and make only minimal changes after that, culminating in an end-to-end test of all aspects of the decennial census in a 2008 dress rehearsal. Unfortunately, due to a funding delay and immature systems, the Bureau had to curtail dress rehearsal testing. To fill that gap, the Bureau is (1) conducting a piecewise but comprehensive end-to-end systems test, and (2) developing and testing operations de-scoped from the FDCA contractor. By "piecewise end-to-end" testing, the Bureau means testing every system or operation in isolation (or in limited sequences) and also testing all the interfaces upstream and downstream. When the Bureau completes these systems and field tests, it will be confident about saying all operations for the 2010 census are ready.

The census testing program has begun to prove its value, as it successfully completed 99.99 percent of the operational phase of address canvassing. Staff have been conducting field operations, successfully using handheld computers to confirm addresses, make address and spatial corrections, and collect GPS information for nearly every residential address in the United States. Field operations are nearing completion on schedule and the Bureau has only observed a few minor issues, which it has quickly addressed. The successful completion of address canvassing demonstrates the validity of the Bureau's recovery plan and leaves it confident that, with continuing efforts, it will conduct a successful 2010 census.

Challenge 2: Strengthen Department-wide Information Security

Overview

As in many federal agencies, putting proper information security controls in place has been an intractable problem at the Department and a long-standing item on the OIG's watch list. Despite additional expenditures to mitigate the problem, the Department has reported information security as a material weakness every year since FY 2001.

The Federal Information Security Management Act (FISMA) requires agencies to certify that their systems and data are protected with adequate, functioning security controls before authorizing (accrediting) a system to operate. The reason for the material weakness at the Department has been consistently inadequate certification and accreditation (C&A): year after year the OIG's FISMA reviews have found ineffective C&A processes that do not adequately identify and assess needed controls and ultimately fail to assure that systems and data are protected.

What is Certification and Accreditation and Why is It Important?

Certification a comprehensive assessment of security controls implemented in a computer system. It determines whether controls are implemented correctly, operating as intended, and meeting the security requirements for the system. Through the formal assessment of controls, the certifier identifies any vulnerabilities that have not been eliminated.

Accreditation is management's formal authorization to allow a system to operate and its explicit acceptance of the risks posed by remaining vulnerabilities. Through accreditation, senior agency officials take responsibility for the security of systems they manage and for any adverse impacts should a breach in security occur.

Securing systems from cyber threats is clearly the most difficult piece of the challenge, because these threats represent a moving target: they increase in number and sophistication almost daily. And as agencies incorporate wireless and other technologies to support their operations and workplace flexibilities, they invite new risks that must be anticipated and mitigated.

To be effective in this environment, the Department's IT security program must be proactive and fluid, staffed by IT security professionals who have the appropriate skills and experience to implement required security controls, assess their effectiveness, and anticipate and respond to emerging threats. They also need appropriate security clearances to effectively deal with potential cyber attacks by hackers, terrorist groups, organized crime, and nation-states. The OIG has found IT security personnel lack adequate understanding of the Department's IT security policy, the National Institute of Standards and Technology (NIST) standards and guidance, and security technology, and therefore cannot appropriately apply them. The Department cites lack of resources as a major impediment to improving IT security.

The OIG has been working with the Department to eliminate the material weakness by the end of 2009 under a jointly developed plan that incorporates realistic milestones and measurable steps for building consistent and repeatable C&A practices. A key element of the strategy is continuous monitoring of security controls. NIST is updating its FISMA guidance

to give greater emphasis to continuous monitoring as part of C&A. Continuous monitoring requires agencies to regularly assess and adjust their security controls to maintain or improve protective measures on an ongoing basis.

The OIG FY 2008 FISMA reviews noted improvements: the OIG looked at nine systems and concluded that four of them (44 percent) were operating in compliance with federal and Department requirements (compared with 33 percent in FY 2007). Only one of the four had used an acceptable C&A process at the time of the review, but the remaining three showed subsequent improvements because of rigorous continuous monitoring activities.

Actions Taken by Bureaus/Operating Units

The Department has reported IT security as a material weakness for many years. To address this issue, the Office of the Chief Information Officer (OCIO) and the OIG collaboratively developed a C&A improvement strategy in 2008. Since then, the OCIO has completed the following significant milestones:

- To achieve consistency and compliance with FISMA, the OCIO collaborated with the operating units and the OIG in developing Department-wide IT security continuous monitoring policy and guidance in 2009. This policy ensures adequate technical controls in safeguarding the Department's information resources. The OIG reviews continuous monitoring activities to determine whether appropriate actions were taken.
- The Department has deployed the Department of Justice's (DOJ) Cyber Security Assessment and Management (CSAM) tool to standardize the C&A process and documentation as well as conduct compliance reviews. In FY 2009, the Department successfully completed CSAM deployment and submitted its OMB FISMA reports via CSAM. The Department conducted a pilot that led to the completion of five C&As and identified process and applications changes necessary to deploy the capability enterprise-wide.
- The OCIO coordinates with the Federation of Computer Incident Response Teams (CIRT) and the U.S. Computer Emergency Readiness Team (US-CERT) at the Department of Homeland Security (DHS) to ensure timely security alerts and notifications. As a result of this collaboration, the Department detected malicious cyber attacks against its network and has developed plans to remediate and prevent potential threats and vulnerabilities.
- OMB issued Memorandum 08-05, Trusted Internet Connection (TIC), aimed to protect agencies from malicious cyber attacks. As part of this effort, the Department established an internal TIC technical working group, represented by operating unit CIO-appointed individuals, and developed an implementation plan. The Department's TIC approach is to direct all operating units' Internet traffic through one of its authorized TIC access provider Internet portals beginning in FY 2010.
- IT security is one of the Department's highest priorities. To ensure this effort is on track, both the OCIO and the OIG periodically have briefed the CIO Council regarding progress. In 2008, the Department received a satisfactory C&A quality evaluation from the OIG, which is a substantial improvement over previous IG assessments.

Challenge 3: Effectively Manage the Development and Acquisition of Environmental Satellites

Overview

The National Oceanic and Atmospheric Administration (NOAA) is modernizing its environmental monitoring capabilities, spending billions of dollars on two satellite systems that provide critical data: the National Polar-Orbiting Operational

Environmental Satellite System (NPOESS) and Geostationary Operational Environmental Satellite-R Series (GOES-R). Acquisitions like NPOESS and GOES-R are highly technical and complex and have a history of cost overruns, schedule delays, and performance failures. The costs and schedules of both of these systems have significantly increased since the projects commenced, requiring careful oversight to minimize any further disruption and to prevent any gaps in satellite coverage—a situation that could have serious consequences for the safety and security of the Nation.

The $12.5 billion NPOESS project will provide continuous weather and environmental data for longer term weather forecasting and climate monitoring through the coming two decades. The initial project plan called for the purchase of six satellites at a cost of $6.5 billion, with a first launch in 2008. But problems with a key sensor—the Visible/Infrared Imager Radiometer Suite (VIIRS)—were a major contributor to the increase in estimated cost, even as the number of satellites was reduced to four and the first launch pushed back to 2013. Recent analysis indicates that the $12.5 billion estimate could substantially increase in the near future. Despite scaling back the program in 2007, NOAA reported continuing problems with VIIRS development, among them that the subcontractor has sacrificed quality to meet the schedule, failed to follow rigorous development and test procedures, and still does not have a permanent project team. The primary contractor for NPOESS has been unable to correct these problems. So an integrated program office team will work on-site with the subcontractor to help finish VIIRS development. If these problems are not resolved with some expediency, it could mean further delay for the launch of a pilot mission to test the new VIIRS instrument and may result in gaps in data coverage. Because NPOESS is the only source of critical weather and environmental data, it is especially important that VIIRS problems be resolved. Reining in additional costs and delays in both programs requires very specific action and vigilant oversight. For NPOESS, NOAA, the National Aeronautics and Space Administration (NASA), and the Department of Defense (DOD) must control and resolve the continuing problems with VIIRS, and improve tri-agency decision-making.

The $7.7 billion GOES-R system will offer an uninterrupted flow of high-quality data for short-range weather forecasting and warning, and climate research through 2028. An inadequate acquisition and management process contributed to underestimated costs for GOES-R and planned satellite capabilities that were too ambitious. As a result, the projected cost of GOES-R has increased from $6.2 billion to $7.7 billion, a major sensor has been removed, and the number of satellites to be purchased has decreased from four to two. For GOES-R, NOAA needs to work closely with the Department to ensure it follows best practices in overseeing the acquisition while awaiting development of formal Department oversight polices and procedures, and work with Congress to update the baseline life-cycle cost estimate used in its annual reporting on the satellite system. The OIG evaluation in 2007 found that significant weaknesses in oversight during earlier phases of the program led to the cost increases and schedule delays. Because GOES-R was not using an accepted life cycle process, oversight officials were left without sufficient decision-making information.

Actions Taken by Bureaus/Operating Units

National Polar-orbiting Operational Environmental Satellite System

Over the next five years, NOAA will spend several billion dollars in contracts for the purchase, construction, and modernization of environmental satellites. These satellites, operated by the National Environmental Satellite, Data, and Information Service (NESDIS), collect data to provide short and long-range weather forecasts and a variety of other critical environmental and climate information. NPOESS will replace the current generation of civilian and military weather satellites as they reach the end of their useful lives.

On July 30, 2007, the government's tri-agency Integrated Program Office completed the restructure of NPOESS. Critical development activities now form the basis for the objective schedule and technical milestones that are the basis for the

contractor's fee management plan. The restructured contract ties corporate profit to more objective measures of cost, schedule, and performance while still retaining a small subjective assessment of management performance, replacing the previous award fee structure.

A number of management changes and actions have recently been instituted within the program to improve the quality and amount of government oversight. To address ongoing technical problems in the development of VIIRS, the main imaging sensor for the system, in August 2008 the NPOESS executive committee agreed to have a government program manager with the expertise to oversee VIIRS development. Working in partnership with the existing prime contractor team from Northrop Grumman and Raytheon, a senior NASA engineer and manager has been installed on site at the Raytheon plant in El Segundo, CA.

In the fall of 2008, the NPOESS executive committee established a Tri-Agency Joint Assessment Team to address the cost and schedule impacts of the ongoing development problems. The team determined that the best solution to maintain overall program continuity is to use the NPOESS Preparatory Project (NPP) data operationally. The team also recommended that the program procure an Advanced Very High Resolution Radiometer (AVHRR), the main imaging sensor on NOAA Polar-orbiting Operational Environmental Satellites (POES), as an option if the program is not able to deliver VIIRS.

The NPOESS executive committee also asked a high level Independent Review Team, chaired by Tom Young and composed of senior independent aerospace and science experts from industry, academia, and government, to conduct a comprehensive review of the program in the spring of 2009. This team released a report in June 2009 containing valuable findings and recommendations regarding the current state of the program. NOAA, DOD, and NASA are examining three major areas of the report: the program's management structure, satellite coverage and data continuity, and the program's budget.

To mitigate the risk of gaps in polar satellite data continuity, NPP sensors are capable of producing data that meet or exceed the data production from NOAA-19, NOAA's current operational satellite and the last of the POES series. Also, to mitigate the potential gap in polar environmental satellite data coverage in the afternoon orbit between NOAA-19 and the first NPOESS satellite (C-1), NOAA plans to make operational use of the data from the NPP spacecraft and increase the number of products NOAA had planned to generate from the NPP system as a risk reduction mission, to minimize impacts to NOAA's National Weather Service and other users. Specifically, NOAA will accelerate development of 54 NPP polar legacy products and enhance the NPP data processing ground system with sufficient infrastructure to support the additional products.

In the mid-morning orbit, NOAA will continue processing and delivering environmental products to its customers of the U.S. and European instruments on board the European Organization for the Exploitation of Meteorological Satellites (EUMETSAT) Metop (meteorological/operations) series of satellites through the next decade. In addition, NOAA is pursuing discussions with EUMETSAT to secure Metop data directly from Svalbard, Norway, which would reduce data latency for U.S. users.

NOAA will assess the need to use additional international and interagency assets and to develop spare satellites and instruments. The cost and schedule details associated with these contingency options are under review. Any alternative decision will be consistent with results of the VIIRS instrument testing underway.

NOAA and NASA are also developing system architecture options, independent cost estimates of the options, and a schedule as part of a proposed restructuring process for the NPOESS program.

Geostationary Operational Environmental Satellite-R Series

GOES-R is the next generation of geostationary satellites that will replace existing GOES satellites in the next decade. In FY 2006, the OIG initiated a joint review of the GOES-R program with NASA's OIG. The OIG focused on the program office's overall approach to procuring key satellite instruments, identifying potential risks, and implementing associated mitigation strategies. The OIG also assessed the acquisition contracts' award fee plans to determine whether they are structured to promote excellent performance.

The GOES-R program is applying lessons learned from the NPOESS program and other recent reviews of space systems to its management and acquisition strategies. There have also been significant changes to the GOES-R program management and oversight based on direction from Congress, GAO, the Department, the NPOESS Nunn-McCurdy certification process, Independent Review Teams, and GOES-R internal program reviews. In addition, the GOES-R Program Office has initiated the following activities:

- Meeting regularly with the NOAA satellite data users, who developed the initial requirements for GOES-R, to assess the extent to which the program remains responsive to their requirements;
- Engaging a team of independent satellite experts to conduct independent reviews and address specific concerns raised by NOAA senior leadership;
- Locating the GOES-R Program Office at NASA Goddard Space Flight Center to better leverage the full capabilities and processes at NASA, including access to NASA's processes for independent technical and engineering reviews;
- Reporting at the NASA monthly status review chaired by the Goddard Space Flight Center Deputy Director; and
- Increasing staff to support robust systems engineering and oversight of the contractors. After the prime contracts are awarded, this will include on-site representatives at the prime contractors and at the major subcontractors.

NOAA also commissioned an Independent Cost Estimate (ICE) as a check on the Program Office Estimate (POE) and based the GOES-R budget on the results of the ICE-to-POE reconciliation. This action ensures sufficient management reserves to support risk mitigation activities and timely responses to development issues, thus reducing the potential impacts associated with these issues.

These activities have put in place the framework for the GOES-R program to succeed. In the past year, NOAA has awarded the Ground Contract, and work has begun on the contract. NASA awarded the Spacecraft Contract, but work was suspended due to a protest of the award. Currently, NASA is working through the GAO protest process. Work on five instrument contracts continues with the independent technical teams routinely reviewing progress and helping to resolve technical issues.

Challenge 4: Establish a Safety Culture at NIST

Overview

A June 2008 plutonium spill at NIST's Boulder, CO, laboratory raised serious concerns about NIST's ability to perform state-of-the-art research with radioactive and other dangerous materials while protecting the safety of workers and the community at large. The plutonium spill was one of several incidents reported at NIST labs in the past few years that have revealed management flaws and a lax safety culture at the Agency. But it was by far the most serious in terms of the potential for widespread harm.

The spill exposed weaknesses in NIST's safety management that must be corrected. A review by the Department of Energy (DOE) found that NIST had not established a safety management system or protocols. Safety roles and responsibilities were poorly defined, and the labs did not have the staff expertise to understand and analyze exposures to hazardous materials. An independent reviewer noted that Boulder management does not consider safety to be its responsibility, but rather that of internal health and safety staff. In addition, the circumstances under which the spill occurred are evidence that safety is not a core value: a guest researcher was allowed to work alone with the plutonium after normal business hours even though he had no training in handling radioactive materials.

In its FY 2006 annual report on NIST's strategic direction, performance, and policies, the Visiting Committee on Advanced Technology (VCAT) noted inconsistencies in safety procedures across NIST laboratories. While in principle NIST management is committed to safety, as a practical matter safety has not been a clearly delineated function within its organizational structure, thereby contributing to the numerous lapses that occurred leading up to the spill. At the time of the spill, no one on-site had overall management responsibility for the safety of the work being conducted in Boulder or for managing the response to the incident.

NIST Boulder had only recently received permission to work with plutonium. There was no systematic, integrated management process for analyzing and preparing for the risks associated with this new work, for strictly managing the material once it arrived, for dedicating lab space to radioactive materials research, for ensuring personnel were properly trained to work with the plutonium, or for responding to related emergencies. Managers and staff at Boulder were generally unfamiliar with safety protocol requirements, often viewing them as voluntary guidelines. The lab was even found to be potentially noncompliant with several required federal and industry safety standards.

The plutonium spill and the subsequent revelations regarding NIST's lax safety culture are particularly disturbing in light of the Agency's international reputation as a world-class scientific organization. Yet rather than modeling best practices, NIST's lax approach to safety increases risks to NIST and the greater community.

NIST must make safety a primary concern at all organizational levels and strictly comply with all federal requirements and industry standards. It must establish and enforce stringent policies and procedures for handling hazardous materials and strict lines of accountability for implementing them.

Actions Taken by Bureaus/Operating Units

Following the plutonium incident at the NIST Boulder laboratories, NIST stopped all research involving radioactive materials at NIST Boulder. Since then, NIST has decided not to conduct any research using radioactive materials at NIST Boulder that would involve other than extremely low-risk sources. This ultimate corrective action will prevent the recurrence of serious incidents involving radioactive materials at NIST Boulder.

NIST has also received internal and external input on management and safety at NIST. This input has included City of Boulder Input to the House Subcommittee on Technology and Innovation of the House Science and Technology Committee; the NIST Ionizing Radiation Safety Committee Initial Report of Plutonium Contamination at NIST Boulder, which also considered reports from five experts; DOE's Office of Independent Oversight Special Review of Safety at the NIST Boulder laboratories; and the Report of the NIST Blue Ribbon Commission on Management and Safety, established by the Deputy Secretary of Commerce.

NIST has worked to rebuild its relationship with the City of Boulder through regular communications of progress on the cleanup project and in addressing the issues raised by the city. NIST has updated the inventory of chemicals at the NIST Boulder laboratories; properly disposed of substantial quantities of unused, excess, and legacy chemicals; developed an emergency notification checklist for reporting accidental releases to the City of Boulder and to agencies and jurisdictions that regulate NIST Boulder's handling and disposal of hazardous materials; developed a standard operating procedure for reporting accidental releases of hazardous materials; and implemented a worksite training program for the NIST Boulder staff in the prevention and reporting of accidental hazardous material releases to the environment.

To strengthen safety management at NIST, NIST has moved a NIST laboratory director position to Boulder to establish local line-management responsibility for the safety of laboratory activities in Boulder; created a new site-manager position in Boulder to coordinate safety, emergency preparedness, and security for the Department's Boulder campus, including NIST, NOAA, and the National Telecommunications and Information Administration (NTIA); created a safety executive position reporting to the Office of the NIST Director to oversee NIST's central safety organization; hired an experienced safety manager to oversee the safety organization in Boulder; and increased funding significantly for the central safety organization and associated safety-related programs and activities.

To strengthen safety at NIST more broadly, NIST is focusing on communicating individual and management responsibility for safety, providing staff with the tools needed to understand how to protect themselves and those around them, creating safer workplaces, and continually improving the safety culture. More specifically, NIST is articulating, communicating, and reinforcing a clear safety goal for the organization: zero accidents, injuries, and illnesses for everyone who works for, works at, or visits NIST; clarifying the roles, responsibilities, authorities, and accountabilities of its senior leaders, especially with regard to Boulder; training managers on their responsibilities to provide staff with a safe and healthy working environment and to comply with applicable regulations and standards; implementing NIST-wide requirements for identifying and controlling hazards and authorizing work and workers, including considerations related to training; providing researchers and managers with training on conducting hazard reviews; conducting hazard reviews; updating safety policies, procedures, and programs; and developing and implementing consistent NIST-wide approaches to chemical inventory and labeling and hazard signage.

Challenge 5: Ensure NTIA Effectively Carries Out Its Responsibilities under the Digital Television Transition and Public Safety Act

Overview

The Digital Television Transition and Public Safety Act of 2005 assigned NTIA responsibility for implementing a $2.5 billion initiative for the conversion to digital television and improvements to public safety communications. The act authorizes NTIA to use $1.5 billion to support the Nation's June 2009 switch to all-digital broadcasting by offering coupons toward the purchase price of converter boxes that will enable analog television viewers to receive digital programming.

A primary purpose of the switch to digital television is to free up radio frequencies for advanced wireless emergency communications at state and local levels, thus improving the ability of first responders to communicate with one another during emergencies. The act authorizes NTIA to provide approximately $1 billion in grants for Public Safety Interoperable Communications (PSIC) projects in all 50 states, the District of Columbia, and the U.S. territories—a total of 56 entities.

The Converter Box Coupon Program is progressing with few problems, but close oversight must be maintained NTIA has made substantial progress in helping prepare television viewers for the switch to digital broadcasting: in August 2007 it contracted with IBM to provide certain services to implement the $1.5 billion Converter Box Coupon Program. Maintaining strict accountability for funds in a program of this type and size requires careful oversight and strong internal controls to guard against fraud, waste, and abuse among retailers and to ensure the program is properly closed out by September 2009, as required by the act.

The act also authorizes NTIA to use up to $5 million for outreach and education concerning the digital TV (DTV) transition and the coupons. NTIA has targeted geographic areas and demographic groups that have the highest percentage of analog-only households. The outreach strategy provides for intensified publicity at critical points in the conversion.

Also of concern is the OIG's finding that PSIC grantees may not be able to complete projects within the legislation's short funding time frame The PSIC program is a one-time grant opportunity to target specific funds and resources toward improving the interoperability of local and state voice and data communications. But grantees are moving slowly, and whether they can complete their projects by the statutory deadline of September 30, 2010, is questionable. As of September 2008, grantees had spent less than 1.5 percent of the available $1 billion, which leaves them only two years to complete their projects or lose funding. But many of the projects involve activities that could take much longer. Given all that must follow the purchase of equipment—installation, operational testing, and training, at a minimum—grantees who are still in the acquisition stage as late as FY 2010 face the very real possibility of arriving at the program's September 30 deadline with partially completed projects but without funding to finish them out. Part of the reason for the grantees' slow start is the way the PSIC awards process worked. Because of the September 30, 2007 award deadline, PSIC awards preceded approval of individual project plans and release of funds. As a result, many recipients spent the first year of the three-year grant period developing plans, obtaining their approval, and awaiting availability of funds.

NTIA should expeditiously identify grantees that are at high risk of not meeting the statutory deadline for completing their projects, give them the technical assistance they need to accelerate the process, carefully monitor their progress, and keep Congress informed of the PSIC program's status toward achieving its objectives. If any entities seem still unlikely to meet the deadline, NTIA should work with Congress to extend it.

Actions Taken by Bureaus/Operating Units

Congress also authorized additional resources to enable NTIA to enhance its consumer education efforts, specifically targeting those groups and areas most unprepared and vulnerable to a disruption in their over-the-air television service. Commerce Secretary Gary Locke embraced this task and took an active role in educating consumers about the transition and their options to prepare in the weeks leading up to June 12. The Department's outreach and education efforts had several prongs. First, the Department deployed Mobile Assistance Centers to provide on-the-ground assistance in applying for coupons, hooking up converter boxes, and addressing technical issues. The Mobile Assistance Centers interacted with more than 43,000 consumers, helped consumers complete 7,120 coupon applications, and distributed more than 38,000 pieces of informational materials. Second, the Department effectively placed public service announcements (PSA) in 22 markets using bus advertising. These PSAs reached approximately 45 million people per day. Third, the Department partnered with local groups to distribute fact sheets/DTV Resource Guides and coupon applications. In total, Department partners distributed 244,000 fact sheets in multiple languages and 229,000 applications directly to consumers. Finally, the Department executed a targeted media strategy involving earned and paid media. Examples include English and Spanish language radio ads that reached approximately 78 million individuals, and TV ads in predominantly Asian retail outlets that reached approximately 6.4 million Asian Americans.

The Department's targeted outreach translated into meaningful increases in coupon program participation and DTV readiness. Over-the-air household participation in the Department's 28 target markets increased on average by 12 percent between February 15 and June 12, 2009.

NTIA has sent a proposal to Congress, as part of the draft legislation submitted on July 22nd, which would permit the Department to extend the deadline for PSIC grant performance for up to two years when required to ensure the success of these important projects. The statute currently requires grant funding to be fully expended by September 30, 2010. Based on an analysis of the technical and environmental factors, the Department expects that about half of the states and territories will be challenged to complete the PSIC projects by the statutory deadline. The Department recommends that Congress provide the flexibility for NTIA to extend the deadline for such projects to ensure better public safety communications and best serve the public interest.

OTHER ISSUES REQUIRING SIGNIFICANT MANAGEMENT ATTENTION

Weaknesses in the Department's Acquisition Oversight and Acquisition Workforce

Overview

Acquisition and contract management has been a consistent watch list item for federal inspectors general and GAO, as related government spending has ballooned in recent years. Spending on contracts government-wide, for example, has more than doubled since 2000—from $208 billion to $538 billion in FY 2008—while the federal acquisition workforce has remained fairly constant: roughly the same number of skilled professionals now oversee more than twice as many federal contract dollars as they did eight years ago, and the projects they support have greatly increased in complexity and risk. Shortfalls and failures in major systems acquisitions are all too common in federal programs. And contracts of all sizes and complexity are at risk for fraud and waste because of poor oversight and lax controls.

The Department does not have coherent policies to guide systems acquisition or effective oversight mechanisms, and these failings were major contributors to the problems it identified with NOAA's GOES-R satellite program and the Census Bureau's FDCA contract. It also lacks a sufficient amount of skilled contracting and project management expertise—a problem with which all federal agencies are grappling. Hiring and retaining a skilled acquisition workforce has been difficult, and the competition stiff. The Department has a limited number of contracting specialists to meet its multibillion-dollar workload. It has no reliable count of its program/project managers or contracting officer's technical representatives (COTR), although skilled professionals in these positions are also at a premium.

The Department is working to address these problems, but the process is slow and in its early stages. The Department is strengthening acquisition and contracting by updating its antiquated policies and procedures to promote more effective planning, implementation, and oversight. It is also taking steps to make better use of its oversight bodies—the Acquisition Review Board and the Commerce Information Technology Review Board—and to integrate their activities, ensure acquisition plans are appropriate, and that programs and contracts are reviewed at key decision points in their life cycle.

But success in these efforts will not be enough to improve the Department's overall acquisition operations without commensurate success in hiring and retaining a qualified acquisition workforce. The pool of applicants for these jobs is not large, and the looming retirement of some 50 percent of the current federal acquisition workforce over the next 10 years

may well push shortages beyond the critical point. The Department needs a comprehensive human capital strategy that (1) taps into such recruiting initiatives, (2) explicitly defines what acquisition skills and competencies it needs and how they will evolve over the short and long term, and (3) offers professional development and other incentives to attract and keep qualified candidates.

Actions Taken by Bureaus/Operating Units

The Department has taken the following actions:

Training

- Revised the Acquisition Career Management Program to incorporate training and certification requirements of the Federal Acquisition Certification Program for contracting officer representatives (COR) and program/project managers.

- Continued COR training in the four required areas of expertise: business/industry, general management, project management, and procurement knowledge. The Department ensured that the COR element was included in the performance plans of individuals who spend more than 20 percent of their time working on contracts.

- Established a policy that when reviewing each acquisition plan (all of those acquisitions exceeding $10 million) or Programs/Projects/Acquisitions which are presented at the Investment Review Board, the Office of Acquisition Management (OAM) specifically determines whether or not the proposed COR or program/project manager has met the certification requirement. If not, the program is required to either (1) ensure certification is obtained prior to contract award, or (2) replace the identified COR or program/project manager with an appropriately certified individual. OAM has granted only one waiver to the certification requirement and that was for an individual who will be retiring at the end of the calendar year.

- Continued training of contracting/purchasing professionals and CORs in the required competency areas in order to close competency gaps. The following training was completed in FY 2009 (number of students in parenthesis): Interpersonal Skills (30); Customer Service (30); Decision-making (30); Understanding the Marketplace (183); Project Management (47); Defining Government Requirements (45); and Contracting/Procurement (164).

- Conducted training sessions for contract specialists to improve the quality and timeliness of Department Federal Procurement Data System-Next Generation (FPDS-NG) data entry.

Hiring

- All appropriate authorities (Direct Hire, Reemployed Annuitants, Veteran Rehabilitation Act, etc.) are being used to bring contract specialists on board. The Department continues to struggle, as do other federal agencies, to identify and hire qualified candidates. The Senior Procurement Executive has been participating in the Federal Acquisition Intern Program as an additional method of locating qualified candidates. Plans are being made to design and implement a formal acquisition intern program for the Department in FY 2010 using best practices.

- Submitted the 2009 Acquisition Workforce Human Capital Succession Plan to the Office of Federal Procurement Policy (OFPP), which primarily focused on recruitment, retention, and development of acquisition professionals within the Department. As part of the succession plan, a human capital framework was established identifying key components to address the strategic management of the Department's acquisition workforce.

- Participated in the following human capital working groups: (1) Interagency Acquisition Career Management Committee; (2) Marketing Acquisition Careers to Colleges and Universities; (3) Mid-Level Recruiting; (4) On-boarding; and (5) Acquisition Workforce Plan Advisory Team. These working groups allow interagency information-sharing that aids in the development of creative strategies and best practices.

Oversight

- OAM has actively participated in the development and codification of a formal Investment Review Board process for major acquisitions. This board is intended to consolidate the Acquisition Review Board and the Commerce Information Technology Review Board. The Departmental Administrative Order formally establishing the Investment Review Board and the Investment Review Board process is in the final stages of review.

- To address the oversight needs for acquisitions not meeting the Investment Review Board threshold ($75 million), OAM established a "paper review process" for all acquisitions between $10 million and $75 million. This review consists of a review of the acquisition plan, specific sections of the proposed solicitation, and any planned award/incentive fee plan. Any issues identified in that review are required to be resolved to the satisfaction of the Senior Procurement Executive.

- Revised the Commerce Acquisition Manual (CAM) chapter on the purchase card program to reflect best practices in oversight including limiting card maximums over the micropurchase limit to those individuals holding a Level I Contracting Officer warrant, establishing a formal oversight process, and utilizing the automated oversight tools available under the SmartPay2 contract and task order.

- Started revitalization of the Department's suspension and debarment program to ensure the government's interests are protected and non-performing contractors and grantees are held accountable. The Department increased the seniority of its interagency suspension and debarment committee representation, offered suspension and debarment training to all acquisition and grant personnel, and are reviewing several debarment actions.

- Published policy related to avoiding fraud, waste, and abuse including: *Preventing and Reporting Contractor Fraud* (Procurement Memorandum (PM) 2009-02), *Excluded Parties List System* (PM 2009-07), and *Tracking and Oversight of Contracts with Award and Incentive Provisions* (PM 2009-12).

- Published policy on the appropriate documentation and reporting of time and material/labor hour contracts for commercial services to ensure required determination and findings are prepared and that the use of other than fixed price contracts is adequately documented (PM 2009-13).

- Issued policy establishing in the Office of Legislative and Intergovernmental Affairs the responsibility for announcing contract actions in excess of $3.5 million (CAM 1305.303) to ensure maximum public visibility and transparency.

- Worked with the Department's grant-making bureaus to address the delinquency of the Federal Funding Accountability and Transparency Act (FFATA) reporting. Issues have largely been resolved, and with the exception of the Economic Development Administration (EDA), all grant-making bureaus are up to date with FFATA submissions. EDA is addressing the backlog and making good progress in resolving the backlog.

Regulation

- Participated in the Civilian Agency Acquisition Council, which reviews and concurs in proposed changes to the federal acquisition regulation. Key federal acquisition regulation changes this year have included five American Recovery and Reinvestment Act (ARRA) of 2009 cases.

- Revised the Commerce Acquisition Regulation to reflect changes in federal acquisition regulations and policies. Final review of the proposed rule is pending and codification will be conducted in FY 2010. The revised Commerce Acquisition Regulation has been submitted to the Federal Register for publication and public input.

- Participated in leading the Department in its implementation of ARRA including: (1) providing the Department response to initial guidance; (2) participating in the ARRA Workgroup; (3) participating with the Department OIG in hosting fraud awareness training for all bureau procurement officials and grant office directors; (4) developing guidance for contracting officers, CORs, grants officers, and federal program officers regarding their responsibilities under ARRA; (5) participating with the Minority Business Development Agency (MBDA) in reaching out to minority-owned business enterprises to assist them in winning contract awards under ARRA; (6) participating with OFPP in the development of acquisition and grant guidance ; (7) reporting acquisition and grant awards on a daily basis; (8) reviewing all ARRA obligations reported in FPDS-NG and FedBizOps for accuracy and completeness; (9) developing and providing guidance for recipients (contractors and grantees) on their reporting responsibilities; and (10) working with NTIA to assist in emplacing grants support for the Broadband Technology Opportunities Program

USPTO's Long and Growing Patent Processing Times, and Its Financing Vulnerabilities

Overview

The efficiency with which the U.S. Patent and Trademark Office (USPTO) processes patent applications has a direct bearing on how well it achieves its mission of promoting U.S. competitiveness. Meeting the demand for new patents in a timely manner has been a long-standing challenge for USPTO. Increases in both the volume and complexity of patent applications have lengthened application processing times and backlogs dramatically. In 2004, USPTO had a patent backlog of nearly a half million applications and average processing times of 27 months. By 2007, processing times averaged nearly 32 months, with wait times for communications-related patents as long as 43 months. As of September 30, 2008, USPTO reported a backlog of 750,596 applications and estimated that the backlog will exceed 860,000 by September 2011. The 2010 President's Budget reflects a backlog of 740,000 applications by the end of FY 2009, which is a decrease of approximately 10,000 applications over end of FY 2008 numbers. USPTO needs to further decrease the backlog by continuing to implement measures discussed in its 2007-2012 strategic plan that have a significant impact on reducing the backlog, such as shortening application review times; improving examiner error rates; and continue its initiatives to improve the hiring, training, and retaining of skilled examiners.

USPTO's unique financing structure also presents challenges. There is a complex relationship between the number of patent applications filed, the size of the application backlog, the number of patents issued, and the fees USPTO collects in connection with the patent process. The Agency uses fees collected today to pay for patent applications filed and examined in prior years. With the backlog growing, processing times increasing, and the number of patents issued flattening, this method of financing could become increasingly risky. The current model for financing USPTO's critical mission warrants attention to ensure that it will continue to provide sufficient funding to process all backlogged applications as well as any newly filed.

Actions Taken by Bureaus/Operating Units

USPTO is continuing the transformation to a performance-based organization and to its credit, the Agency reports it accomplished 100 percent of its key performance measures in FY 2008. USPTO has also had a clean audit opinion for 16 consecutive years.

USPTO faces numerous challenges, such as continuing workload increases, hiring and training patent examiners, sustainability of operations in times of reduction in fee collections, and continuing a transition to an electronic processing environment. USPTO must fully utilize its expanded authority over personnel decisions and processes, procurement, and IT operations. The OIG has assessed systemic human resources and program issues, and has examined USPTO's computer systems security. A recent evaluation found that while most USPTO contracts include information security clauses, important requirements are not implemented properly or enforced. USPTO has taken corrective actions to address problems the OIG identified.

NOAA's Ability to Conserve the Nation's Fragile Oceans and Living Marine Resources While Ensuring a Vital U.S. Commercial Fishing Industry

Overview

According to NOAA, 3.5 million square miles of the Nation's coastal and deep ocean waters and the Great Lakes support over 28 million jobs in the United States, and the value of the U.S. ocean economy tops $115 billion. But these economic benefits come at great cost as the health of the oceans and coastal ecosystems continues to decline in the face of increasing coastal development, pollution, overfishing, and the destructive impact of invasive species.

Charged with maintaining and improving the viability of marine and coastal ecosystems while supporting global marine commerce and transportation, NOAA manages a significant portion of the federal government's investment in living marine resources. It faces difficult challenges in promoting the health of these resources while ensuring they sustain the vital economic benefits derived from them.

In January 2007, the President signed the reauthorized Magnuson-Stevens Fishery Conservation and Management Act, which requires annual catch limits, an end to overfishing by 2011, and better integration of fishery management planning with national environmental review procedures to ensure the environmental impacts of any significant ocean activity under consideration are thoroughly vetted. The challenge for NOAA will be to implement these new requirements in a manner that improves the status of U.S. marine resources without undermining the health of the U.S. fishing industry. To fulfill its mandates for living marine resources, NOAA also needs to take action to rebuild populations of protected species, conserve important habitats, and undertake the science programs necessary to improve its understanding of complex marine ecosystems.

Actions Taken by Bureaus/Operating Units

During FY 2009, NOAA advanced the preservation of fragile oceans and living marine resources through the Coastal Strategy to foster healthy ecosystems, protecting and sustaining them for future generations by managing and influencing the use of coastal resources to ensure healthy coastal ecosystems and resilient communities. NOAA analyzed climate change impacts on coastal habitat restoration, land acquisition, and facility construction investments; drafted an Administration bill for the Coastal Zone Management Act which is under review; and released the Marine Protected Areas National System Framework of 1,700 potential marine protected areas. In addition to the 225 engaged, 100 more are expected this fiscal year, possibly including fisheries and more coastal states than the current nine of 35 that are engaged. NOAA also took crucial steps toward the implementation of the reauthorized Magnuson-Stevens Fishery Conservation and Management Act in an effort to end overfishing and execute annual catch limits.

Responding to the OIG audit of the National Marine Sanctuary Program (NMSP) mission and resource protection, NMSP held sanctuary superintendents accountable for completing management plan reviews on time and ensuring charter agreements were finalized. The Office of Law Enforcement (OLE) Director has required sanctuary liaisons to attend Sanctuary Advisory Council (SAC) meetings in their region. The National Marine Fisheries Service (NMFS) designated attendees to attend all SAC meetings. OLE required mandatory sanctuary reporting within the Law Enforcement Accessible Database System (LEADS).

NOAA developed clear guidance on how NMFS and NMSP will work together on specific matters, including (1) Fishery Management Council (FMC) staff participation on SACs, research advisory groups, and other relevant work groups; (2) sanctuary staff participation on relevant NMFS working groups on habitat, coral reef, and bottom mapping; and on FMC advisory committees on science and statistical, habitat, and education and outreach; and (3) FMC members and NMFS staff participation in the early development of sanctuary management plan reviews and condition reports.

NOAA agreed upon processes for NMSP staff and SAC members to participate in the Magnuson-Stevens Act FMC and fishery management plan development process and NMFS staff and FMC members to participate in the National Marine Sanctuaries Act process. NOAA is expanding dissemination of its successful collaborations at sanctuary sites, such as "Examples of Successful Collaborations between NOAA's Office of National Marine Sanctuaries, National Marine Fisheries Service, and Regional Fisheries Management Councils" from May 2009.

Working with the regional FMCs, NOAA has made significant progress on both ending overfishing and implementing annual catch limits. The act requires that federal fishery management plans establish mechanisms for annual catch limits and accountability measures to end and prevent overfishing by 2010 for stocks subject to overfishing, and by 2011 for all others. On January 16, 2009, NOAA published guidelines for the regional FMCs to use in implementing annual catch limits and accountability measures, which became effective February 17, 2009. NOAA and the eight regional FMCs are amending fishery management plans to implement this statutory requirement.

Highlights of progress on other act requirements include:

- NOAA published a proposed rule regarding certification procedures to address illegal, unregulated, and unreported fishing activities and bycatch of protected living marine resources on January 14, 2009, and accepted comments through May 14, 2009. A series of six public hearings have been scheduled to collect comments and discuss issues described in the proposed rule.

- NOAA published guidelines and procedures for referenda required to establish Limited Access Privilege Programs in the Northeast and Gulf of Mexico fisheries on December 15, 2008.
- NOAA published a notice to announce the availability of the Draft NOAA Deep-Sea Coral and Sponge Research and Management Strategic Plan for public comment. Comments on the draft strategic plan were accepted through January 15, 2009.
- On January 15, 2009, NOAA published proposed regulations to govern the requests for determinations of fishery resource disasters as a basis for acquiring potential disaster assistance. Comments were accepted through April 20, 2009.
- NOAA has drafted a proposed rule to revise National Standard 2 guidelines regarding use of best scientific information available, peer review guidelines, the role of the Council's Scientific Support Coordinator (SSC) in the review process of scientific information, and the scientific content of the Stock Assessment and Fishery Evaluation (SAFE) report. This draft rule is currently under review by the Agency and may be available for public comment later in 2009.

Overall, 51 of 79 specific tasks (65 percent) have been completed. Seventy-three percent of tasks with a specific deadline have been completed. Twenty-two percent of tasks are in progress, nine percent have been delayed, and five percent have had no action taken. ("Completed" means the task is done, or no further action is required; "In Progress" means the task is currently being completed, and all milestones are being met; "Delayed" means the project has missed its statutory due date and is behind schedule or the project is on hold; "No Action" means the task has not yet been started, often due to lack of funding.)

BIS's Setbacks in Modernizing Its Obsolete IT Infrastructure to Strengthen the Dual-use Export Control System

Overview

In January 2007, GAO added the Bureau of Industry and Security's (BIS) dual-use export control system to its government-wide high-risk list. One of the key challenges facing BIS in ensuring that the dual-use export control system is properly equipped to advance U.S. national security, foreign policy, and economic interests is the replacement of its obsolete Export Control Automated Support System (ECASS). BIS's core export administration and enforcement business processes are directly supported by ECASS. Approximately 450 federal staff and 28,000 exporters currently use the system. However, the database structure—originally deployed in 1984—is complex and no longer supported by the technology industry. The effort to modernize ECASS began in 1996, but the project has been underfunded and beset by technical problems and schedule slips that current management has been attempting to address in a budget-constrained environment.

The current projected completion date for the ECASS modernization is FY 2014. Based on Department interviews, the total funding requirements for ECASS modernization are not clearly established. BIS must provide a comprehensive plan for what is required to modernize ECASS, including how much it will cost and how it will avoid the management and technical problems experienced in past modernization attempts.

Enhancing the performance of ECASS and ensuring continued operation of an effective licensing information system are far too important to postpone any longer. BIS must demonstrate that it has a modernization strategy and plan in place to convincingly make the case for increased funding, or develop a plan to implement its ECASS modernization effort with existing resources (i.e., reallocate existing funding).

Actions Taken by Bureaus/Operating Units

Historically, BIS has suffered from a systemic lack of overall IT investment—it is the lack of investment that has constrained BIS progress in modernizing its export control system. The cumulative impact of the lack of funding coupled with new externally driven unfunded IT security requirements emerging in and after FY 2006 resulted in the higher level of required IT funding that is cited in the OIG report—not mismanagement of the BIS IT programs or available resources.

The FY 2010 Budget proposes increases to address the Cyber Espionage Response, and includes ECASS-Redesign (ECASS-R)

IMPROPER PAYMENTS INFORMATION ACT (IPIA) OF 2002 REPORTING DETAILS

IPIA was enacted to provide for estimates and reports of improper payments by federal agencies. The act requires that federal agencies estimate improper payments and report on actions to reduce them. A review of all programs and activities that the Department administers is required annually to assist in identifying and reporting improper payments. The Department has not identified any significant problems with improper payments; however, the Department recognizes the importance of maintaining adequate internal controls to ensure proper payments, and the Department's commitment to continuous improvement in the overall disbursement management process remains very strong. Each of the Department's payment offices has implemented procedures to detect and prevent improper payments. For FY 2010 and beyond, the Department will continue its efforts to ensure the integrity of its disbursements.

I. Briefly describe the risk assessment(s) performed subsequent to completing its full program inventory. List the risk-susceptible programs (i.e., programs that have a significant risk of improper payments based on Office of Management and Budget (OMB) guidance thresholds) identified through its risk assessments. Be sure to include the programs previously identified in the former Section 57 of OMB Circular A-11, *Preparation, Submission, and Execution of the Budget* (now located in OMB Circular A-123, Appendix C, *Requirements for Effective Measurement and Remediation of Improper Payments*). Please highlight any changes to its risk assessment or its risk assessment results that occurred since its last report.

The Department annually conducts an assessment of the effectiveness of internal control over financial reporting, in compliance with OMB Circular A-123, *Management's Responsibility for Internal Control*. The FY 2007 assessment included a review of internal controls over disbursement processes, which indicated that current internal controls over disbursement processes are sound.

Each of the Department's bureaus/reporting entities has performed or is currently performing, over a one to three-year period (depending on the size of the entity), improper payment risk assessments covering all of its programs/activities, as required by OMB Circular A-123, Appendix C. For many of the reporting entities, these risk assessments were completed in 2008. These improper payment risk assessments of the entity's programs/activities also include assessments of the corporate control, procurement, and grants management environments. The improper payment program/activity risk assessments performed thus far revealed no risk-susceptible programs/activities.

The results of Departmental assessments revealed no risk-susceptible programs, and demonstrated that, overall, the Department has strong internal controls over disbursement processes, the amount of improper payments by the Department is immaterial, and the risk of improper payments is low.

II. Briefly describe the statistical sampling process conducted to estimate the improper payment rate for each program identified. Please highlight any changes to its statistical sampling process that have occurred since the last report in this section.

In FY 2009, the Department conducted a sampling process to draw and review random samples of disbursements greater than $100 thousand from a Department-wide universe of disbursements. Grants, travel payments, bankcards/purchase cards,

all procurement vehicles with other federal agencies, government bills of lading, and gifts and bequests were excluded from review. Each selected sample item was then subjected to a review of original invoices and supporting documentation to determine that the disbursement was accurate, made only once, and that the correct vendor was compensated. The results of the Department's review did not reveal any significant improper payments. The same results were achieved following a similar review in FY 2008. An estimated improper payment rate, accordingly, was deemed not necessary.

III. Describe the Corrective Action Plans (CAP) for reducing the estimated rate and amount of improper payments for each type of root cause of error. Include in this discussion the corrective action(s) most likely to significantly reduce future improper payments due to each type of error an agency identifies. If efforts are ongoing, it is appropriate to include that information in this section, and to highlight current efforts, including key milestones.

The results of Departmental assessments demonstrate that, overall, the Department has strong internal controls over disbursement processes, the amount of improper payments by the Department is immaterial, and the risk of improper payments is low. While the Department, accordingly, does not have a need for CAPs for improper payments, the Department has, nevertheless, further enhanced its processes and is actively working with each of the Department's payment offices to identify and implement additional procedures to prevent and detect improper payments. In FY 2009, the Department continued with the bureaus' quarterly reporting of any improper payments to the Deputy Chief Financial Officer (CFO), along with identifying the nature and magnitude of any improper payments and identifying any necessary control enhancements.

The Department has additionally reviewed all financial statement audit findings/comments, and results of any other payment reviews, for indications of breaches of disbursement controls. None of these audit findings/comments or reviews have uncovered any significant problems with improper payments or the internal controls that surround disbursements.

IV. Discuss recovery auditing effort, if applicable, including any contract types excluded from review and the justification for doing so; actions taken to recoup improper payments; and the business process changes and internal controls instituted and/or strengthened to prevent further occurrences.

In August 2009, recovery audits were completed for the Economic Development Administration/Salaries & Expenses (EDA/S&E), and the International Trade Administration (ITA). Contracts/obligations closed after September 30, 2005 greater than $100 thousand were reviewed. Grants, travel payments, bankcards/purchase cards, all procurement vehicles with other federal agencies, government bills of lading, gifts and bequests, and contracts/obligations for which accounting services were provided by another federal agency were excluded from review. The Department determined that, for the above categories of closed contracts/obligations that were excluded from review, the Department's costs for the recovery audit activities would likely exceed the benefits of a recovery audit. Vendor inquiries were performed for a sample of vendors to determine if the reporting entities had any open credits or debts with vendors. Of the $5.2 million reviewed, no amounts were identified for recovery. The following table presents a summary of the results of the Department's current year (CY) and prior years (PY) recovery audits.

(In Thousands)

Reporting Entity(s)	Amount Subject to Review for CY Reporting	Actual Amount Reviewed for CY Reporting	Amounts Identified for Recovery for CY Reporting	Amounts Recovered for CY Reporting	Amounts Identified for Recovery in PYs Reporting	Amounts Recovered in PYs Reporting	Cumulative Amounts Identified for Recovery (CY and PYs Reporting)	Cumulative Amounts Recovered (CY and PYs Reporting)
EDA/S&E	$ 1,898	$ 1,898	$ -	$ -	N/A	N/A	$ -	$ -
ITA	$ 4,677	$ 3,337	$ -	$ -	N/A	N/A	$ -	$ -
DM/S&E	N/A	N/A	N/A	N/A	$ -	$ -	$ -	$ -
DM/WCF	N/A	N/A	N/A	N/A	$ -	$ -	$ -	$ -
ESA/BEA	N/A	N/A	N/A	N/A	$ -	$ -	$ -	$ -
Census Bureau, NIST, NOAA, and USPTO	N/A	N/A	N/A	N/A	$ 96	$ 96	$ 96	$ 96

V. Describe the steps the agency has taken and plans to take (including time line) to ensure that agency managers (including the agency head) are held accountable for reducing and recovering improper payments.

The Department has not identified any significant problems with improper payments; however, the Department recognizes the importance of maintaining adequate internal controls to ensure proper payments, and its commitment to continuous improvement in disbursement management processes remains very strong. The Department's CFO has responsibility for establishing policies and procedures for assessing Departmental and program risks of improper payments, taking actions to reduce those payments, and reporting the results of the actions to Departmental management for oversight and other actions as deemed appropriate. The CFO has designated the Deputy CFO to oversee initiatives related to reducing improper payments within the Department, and to work closely with the bureau CFOs in this area.

In FY 2009, the Department continued its reporting procedures that required quarterly reporting to the Department by its bureaus on any improper payments, identifying the nature and magnitude of any improper payments along with any necessary control enhancements to prevent further occurrences of the types of improper payments identified. The Department's analysis of the data collected from the bureaus shows that Department-wide improper payments were below one-tenth of one percent in FY 2009, as was the case in FY 2008. The bureau CFOs are accountable for internal controls over improper payments, and for monitoring and minimizing improper payments.

For FY 2010 and beyond, the Department will continue its efforts to ensure the integrity of its disbursements.

VI. Describe whether the agency has the information systems and other infrastructure it needs to reduce improper payments to the levels the agency has targeted.

The Department has ensured that internal controls, manual, as well as financial system, relating to payments are in place throughout the Department, and has reviewed all financial statement audit findings/comments and results of any other payment reviews for indications of breaches of disbursement controls. None of these audit findings/comments or reviews have uncovered any significant problems with improper payments or the internal controls that surround disbursements.

VII. Describe any statutory or regulatory barriers which may limit agency corrective actions in reducing improper payments and actions taken by the agency to mitigate the barriers' effects.

The Department has not identified any significant barriers to-date, but will notify OMB and Congress of any barriers that inhibit actions to reduce improper payments if they occur.

VIII. Additional comments, if any, on overall agency efforts, specific programs, best practices, or common challenges identified, as a result of IPIA implementation.

The Department's Disbursement Best Practices. The following are some examples of internal control procedures used by the Department's payment offices:

- Limited/controlled access to vendor files—access to basic vendor information (e.g., name, address, business size, etc.) is available to financial system users; access to banking information, however, is strictly limited by system security to certain Office of Finance staff.
- Controlled access to financial system accounts payable screens—authority to create, edit, approve, process, and amend payment records is limited to certain Office of Finance financial system users. Also, authority to add or revise records in the vendor database is limited to separate Office of Finance system users.
- Segregation of duties for financial system data entry and review prior to transmitting disbursement files to Treasury—data entry duties are assigned to technicians in the Office of Finance who do not have authority to review and process payments. Authority to approve and process payments is assigned to accountants in the Office of Finance. Both data entry and approval/processing of payments are separate functions from transmitting disbursement files to Treasury.
- Financial system edit reports highlight potential items that may result in improper payments (e.g., invoice amount and accrual amount are not the same). There is a daily Invoice Workload Report that displays open amounts (not closed by a payment) on all invoices. This report is reviewed and action is taken to resolve partially open invoices. Furthermore, system settings prevent a payment in excess of the amount of the invoice.
- Daily pre-payment audit of invoices for accuracy, and corrective actions prior to disbursement, thereby preventing improper payments from occurring.
- Financial system edit checks if the vendor's name on the payment does not agree with that on the obligation, or if the payment amount is greater than the obligation or accrual amount.
- The monthly vendor statement for purchase cards is interfaced into the financial system, thereby reducing data entry error.
- An accountant or supervisor reviews individual payments before releasing for payment to help ensure that the correct banking information or payment addresses are used, and that the correct amount will be paid.
- Monthly post-payment random sample audits are performed for detection purposes.
- Contracts include a clause requiring the contractor to notify the contracting officer if the government overpays when making an invoice payment or a contract financing payment.

SUMMARY OF FINANCIAL STATEMENT AUDIT AND MANAGEMENT ASSURANCES

Presented below is a summary of financial statement audit and management assurances for FY 2009. Table 1 relates to the Department's FY 2009 financial statement audit, which resulted in an unqualified opinion with no material weaknesses. Table 2 presents the number of material weaknesses reported by the Department under Section 2 of the Federal Managers' Financial Integrity Act (FMFIA)—either with regard to internal controls over operations or financial reporting—and Section 4, which relates to internal controls over financial management systems; as well as the Department's compliance with the Federal Financial Management Improvement Act (FFMIA).

The Department had one recurring material weakness under FMFIA, Section 2 relating to information technology (IT) certification and accreditation (C&A). Though significant progress has been made, work still remains on fully implementing corrective actions. Efforts to fully resolve this material weakness are being monitored by the Department's senior management.

Table 1. Summary of Financial Statement Audit

- **Audit Opinion:** Unqualified
- **Restatement:** No

Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Ending Balance
No Material Weaknesses	0	0	0	0	0
Total Material Weaknesses	0	0	0	0	0

Table 2. Summary of Management Assurances

EFFECTIVENESS OF INTERNAL CONTROL OVER FINANCIAL REPORTING (FMFIA § 2)						
Statement of Assurance:	Unqualified					
Material Weaknesses	**Beginning Balance**	**New**	**Resolved**	**Consolidated**	**Reassessed**	**Ending Balance**
No Material Weaknesses	0	0	0	0	0	0
Total Material Weaknesses	0	0	0	0	0	0
EFFECTIVENESS OF INTERNAL CONTROL OVER OPERATIONS (FMFIA § 2)						
Statement of Assurance:	Qualified					
Material Weaknesses	**Beginning Balance**	**New**	**Resolved**	**Consolidated**	**Reassessed**	**Ending Balance**
IT Certification and Accreditation	1	0	0	0	0	1
Total Material Weaknesses	1	0	0	0	0	1
CONFORMANCE WITH FINANCIAL MANAGEMENT SYSTEM REQUIREMENTS (FMFIA § 4)						
Statement of Assurance:	Systems conform with financial management system requirements					
Non-Conformances	**Beginning Balance**	**New**	**Resolved**	**Consolidated**	**Reassessed**	**Ending Balance**
No Non-Conformance Issues	0	0	0	0	0	0
Total Non-Conformances	0	0	0	0	0	0
COMPLIANCE WITH FEDERAL FINANCIAL MANAGEMENT IMPROVEMENT ACT (FFMIA)						
	Agency			**Auditor**		
Overall Substantial Compliance	Yes			Yes		
1. System Requirements	Yes					
2. Accounting Standards	Yes					
3. USSGL at Transaction Level	Yes					

GLOSSARY OF KEY ACRONYMS

	Abbreviation	Title
A	ACS	American Community Survey
	ACSI	American Customer Satisfaction Index
	AD	Antidumping
	ADP	Automated Data Processing
	AHS	American Housing Survey
	AML	Advanced Measurement Laboratory (NIST)
	APP	Annual Performance Plan
	ARRA	American Recovery and Reinvestment Act of 2009
	ASAP	Automated Standard Application for Payments
	ATP	Advanced Technology Program (NIST)
	ATS	Annual Trade Survey
	AWIPS	Advanced Weather Interactive Processing System
B	BAS	Boundary and Annexation Survey
	BDC	Business Development Centers (MBDA)
	BEA	Bureau of Economic Analysis
	BIS	Bureau of Industry and Security
	BLS	Bureau of Labor Statistics
	BNQP	Baldrige National Quality Program
C	CAMS	Commerce Administrative Management System
	CBP	U.S. Customs and Border Protection
	CCSPS	Climate Change Science Program Strategic Plan
	CEDS	Comprehensive Economic Development Strategies
	CEIP	Coastal Energy Impact Program (NOAA)
	CFO	Chief Financial Officer
	CFO/ASA	Chief Financial Officer and Assistant Secretary for Administration (OS)
	CIO	Chief Information Officer
	CIRT	Computer Incident Response Team
	CNST	Center for Nanoscale Science and Technology (NIST)
	COOL	Commerce Opportunities Online
	COOP	Continuity of Operations Plan
	COTR	Contracting Officer Technical Representative
	CPD	Coastal Programs Division
	CPI	Consumer Price Index
	CPS	Current Population Survey
	CRADA	Cooperative Research and Development Agreements
	CSRS	Civil Service Retirement System
	CSTL	Chemical Science and Technology Laboratory (NIST)
	CVD	Countervailing Duty
	CWC	Chemical Weapons Convention
	CWCIA	CWC Implementation Act
	CZM	Coastal Zone Management (NOAA)
	CZMA	CZM Act
	CZMP	CZM Program
D	DFI	Digital Freedom Initiative
	DHS	U.S. Department of Homeland Security
	DM	Departmental Management
	DOJ	U.S. Department of Justice
	DOL	U.S. Department of Labor
	DOL/OLMS	DOL Online Labor Management System
	DPAS	Defense Priorities and Allocations System
E	EAA	Export Administration Act
	EAR	Export Administration Regulations
	ECASS	Export Control Automated Support System
	EDA	Economic Development Administration
	EDD	Economic Development Districts

Abbreviation	Title
EEEL	Electronics and Electrical Engineering Laboratory (NIST)
EFT	Electronic Funds Transfer
ELGP	Emergency Oil and Gas and Steel Loan Guarantee Programs
ENC	Electronic Navigational Chart
ENSO	El Niño/Southern Oscillation
EPO	European Patent Office
ESA	Economics and Statistics Administration
FAIR	Federal Activities Inventory Reform
FAR	False Alarm Rate
FCC	Federal Communications Commission
FECA	Federal Employees Compensation Act
FEGLI	Federal Employees Group Life Insurance Program
FEHB	Federal Employees Health Benefit Program
FEMA	Federal Emergency Management Agency
FERS	Federal Employees Retirement System
FFMIA	Federal Financial Management Improvement Act of 1996
FICA	Federal Insurance Contributions Act
FISMA	Federal Information Security Management Act
FMFIA	Federal Managers' Financial Integrity Act of 1982
FMP	Fishery Management Plan
FR	Field Representative
FTA	Free Trade Agreement
FTAA	Free Trade Area of the Americas
FTE	Full-Time Equivalent
FVOG	Fishing Vessel Obligation Guarantee Program (NOAA)
FWC	Future Workers' Compensation
FY	Fiscal-year
G&B	Gifts and Bequests (a fund that is part of DM)
GAAP	Generally Accepted Accounting Principles
GAO	U.S. Government Accountability Office
GDP	Gross Domestic Product
GFDL	Geophysical Fluid Dynamics Laboratory (NOAA)
GLERL	Great Lakes Environmental Research Laboratory
GPRA	Government Performance and Results Act of 1993
GPS	Global Positioning System
GSA	U.S. General Services Administration
GSP	Gross State Product
GSS	Geographic Support System
HR	Human Resources
HSS	Heidke Skill Scores
IA	Import Administration (ITA)
ICANN	Internet Corporation for Assigned Names and Numbers
ICEP	International Catalog Exhibition Program (ITA)
ICT	Information and Communication Technology
IDS	Intrusion Detection Software
IFQ	Individual Fishing Quota Direct Loans (NOAA)
IFW	Image File Wrapper
IP	Intellectual Property
IP	Internet Protocol
IRAC	Interdepartmental Radio Advisory Committee
IRC	Investment Review Committees
IRS	Internal Revenue Service
ISI	Institute for Scientific Information
IT	Information Technology

Abbreviation	Title
ITA	International Trade Administration
ITL	Information Technology Laboratory (NIST)
ITS	Institute for Telecommunication Sciences (NTIA)
ITU	International Telecommunication Union
KSA	Knowledge, Skills, and Abilities
LMS	Learning Management System
MAF	Master Address File
MBDA	Minority Business Development Agency
MBEC	Minority Business Enterprise Centers (MBDA)
MBE	Minority Business Enterprise
MBOC	Minority Business Opportunity Center (MBDA)
MDCP	Market Development Cooperator Program (ITA)
MED	Minority Enterprise Development
MEP	Manufacturing Extension Partnership (NIST)
MOU	Memorandum of Understanding
MTS	U.S. Marine Transportation System
NABEC	Native American Business Enterprise Center (MBDA)
NAICS	North American Industry Classification System
NAO	North Atlantic Oscillation
NAPA	National Academy of Public Administration
NASA	National Aeronautics and Space Administration
NBS	National Bureau of Standards
NCDC	National Climatic Data Center (NOAA)
NCNR	NIST Center for Neutron Research (NIST)
NERR	National Estuarine Research Reserve
NIH	National Institutes for Health
NIPA	National Income and Product Accounts
NIPC	National Intellectual Property Law Enforcement Coordination Council
NIST	National Institute of Standards and Technology
NM	Nautical Miles
NMFS	National Marine Fisheries Service (NOAA)
NOAA	National Oceanic and Atmospheric Administration
NOS	National Ocean Service (NOAA)
NPV	Net Present Value
NRC	National Research Council
NSRS	National Spatial Reference System
NTIA	National Telecommunications and Information Administration
NTIS	National Technical Information Service
NWLON	National Water Level Observation Network
OA	Office of Audits (OIG)
OAM	Office of Acquisition Management (OS)
OCAD	Office of Compliance and Administration (OIG)
OCS	Office of Computer Services (Franchise Fund)
OECD	Organization for Economic Cooperation and Development
OFM	Office of Financial Management (OS)
OFPP	Office of Federal Procurement Policy
OHRM	Office of Human Resources Management (OS)
OI	Office of Investigations (OIG)
OIG	Office of Inspector General (DM)
OIPE	Office of Inspections and Program Evaluations (OIG)
OMB	Office of Management and Budget
OPEM	Office of Planning, Evaluation and Management (BIS)
OPM	U.S. Office of Personnel Management

Abbreviation	Title
OS	Office of the Secretary (DM)
OSDBU	Office of Small and Disadvantaged Business Utilization (OS)
OSE	Office of Systems Evaluation (OIG)
OSM	Office of Spectrum Management (NTIA)
OSY	Office of Security (OS)
OTE	Office of Technology Evaluation
OTP	Office of Technology Policy (TA)
P	
PALM	Patent Application Location and Monitoring System
PAR	Performance and Accountability Report
PART	Program Assessment Rating Tool
PBSA	Performance-based Service Acquisitions
PBSC	Performance-based Service Contracting
PBViews	Panorama Business Views
PKI	Public Key Infrastructure
PMA	President's Management Agenda
PNA	Pacific North America
PORTS®	Physical Oceanographic Real-time System
PP&E	Property, Plant, and Equipment, Net
PPS	Post-project Survey
PRT	Program Review Team (NOAA)
PSV	Post-shipment Verification
PTFP	Public Telecommunications Facilities Program (NTIA)
Q	
QFR	Quarterly Financial Report
QPF	Quantitative Precipitation Forecasts
R	
R&D	Research and Development
RLF	Revolving Loan Fund (EDA)
ROP	Reserve's Operations Plan (NOAA)

Abbreviation	Title
S	
S&E	Salaries and Expenses
S&T	Science and Technology
SAS	Services Annual Survey
SAV	Site Assistance Visits
SBA	U.S. Small Business Administration
SBR	Combined Statement of Budgetary Resources
SCNP	Consolidated Statement of Changes in Net Position
SDDS	Special Data Dissemination Standards
SES	Senior Executive Service
SIPP	Survey of Income and Program Participation
SME	Small and Medium-sized Enterprise
SNM	Square Nautical Miles
SPD	Survey of Program Dynamics
SRD	Standard Reference Data
SRM	Standard Reference Materials
STEP	Standard for the Exchange of Product Model Data
T	
3G	Third Generation
TA	Technology Administration
TAA	Trade Adjustment Assistance Program (EDA)
TAAC	Trade Adjustment Assistance Center
TABD	Trans-Atlantic Business Dialogue
TCC	Trade Compliance Center (ITA)
TECI	Transshipment Country Export Control Initiative
TIC	Trade Information Center (ITA)
TIGER	Topologically Integrated Geographic Encoding and Referencing System
TIP	Technology Innovation Program (NIST)
TIS	Trademark Information System
TPA	Trade Promotion Authority
TPC	Tropical Prediction Center (NOAA)
TPCC	Trade Promotion Coordinating Committee

Abbreviation	Title
TRAM	Trademark Reporting and Monitoring System
Treasury	U.S. Department of the Treasury
TROR	Treasury Report on Receivables
TRP	Take Reduction Plan
TRT	Take Reduction Team
TSP	Thrift Savings Plan
TVA	Tennessee Valley Authority
U	
UAE	United Arab Emirates
UC	University Center
US&FCS	U.S. and Foreign Commercial Service
US/OTP	Office of the Under Secretary/Office of Technology Policy (TA)
USCRN	U.S. Climate Reference Network
USDA	U.S. Department of Agriculture
USPTO	U.S. Patent and Trademark Office
USTR	Office of the U.S. Trade Representative
USWRP	U.S. Weather Research Program
UWB	Ultra-wideband

Abbreviation	Title
V	
VCAT	Visiting Committee on Advanced Technology
VoIP	Voice over Internet Protocol
W	
WCF	Working Capital Fund (DM)
WMD	Weapons of Mass Destruction
WTO	World Trade Organization

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To send comments or obtain additional information about this report, please email Bill Tatter at btatter@doc.gov.

AMERICAN JOBS, AMERICAN VALUES

STRATEGIC GOALS

GOAL 1

Maximize U.S. Competitiveness and Enable Economic Growth for American Industries, Workers, and Consumers

GOAL 2

Promote U.S. Innovation and Industrial Competitiveness

GOAL 3

Promote Environmental Stewardship

MANAGEMENT INTEGRATION GOAL

Achieve Organizational and Management Excellence